

strike. Government and public opinion are strongly opposed to interference with rail service. The union's freedom to strike is subordinated to the public interest.

Every step in bargaining takes into consideration the fact that the Government won't allow a national rail strike to go on beyond a few hours.

There is little real bargaining before a Presidential board is appointed under the Railway Labor Act, according to Prof. Herbert R. Northrup, of the University of Pennsylvania's Wharton School. Presidential fact-finders complained of this in 1961 and again last year, sharply criticizing the parties' "failure to meet problems * * * without invoking the aid of outsiders."

The absence of real bargaining before a board is named insures the appointment of a large number of boards, according to Northrup. The frequency of boards lessens their effectiveness "in making public opinion an effective enforcement measure." And, he said, the delay in real bargaining until after the boards report "creates the actual emergency—if such can occur—after the emergency board has reported and is ready to bow out" rather than before, when Railway Labor Act procedures are operative.

Northrup believes "reform is in order," perhaps the substitution of compulsory arbitration (something neither side wants) for emergency board procedures, now accepted as a railroad bargaining way of life.

Prof. Jacob J. Kaufman, of Pennsylvania State University, also suggests that the Railway Labor Act's "cumbersome and ineffective" procedures should be changed. Kaufman would leave "vexing problems" to bargaining on individual railroads, taking the issues out of national negotiations and restoring the possibility of strikes without "the impact of a national strike" as a way of prodding the parties into meaningful bargaining.

Mr. MILLER. There are union charges that the Pennsylvania Railroad separated out too many firemen—helpers—with the result that a few months later they hired new ones instead of those who had been separated. Subsequently, I understand, this was rectified; but much friction was caused which might have been avoided. Additionally, there are charges that with too few firemen—helpers—available, trainmen have had to perform additional duties contrary to the arbitration award. Also that subsequent interpretations by the reconvened Board of Arbitration were ignored by the railroad regarding the separation of firemen—helpers—having over 2 years' service.

One of the most alarming charges is that the railroad has failed to pay separation allowances according to interpretations by the reconvened Arbitration Board.

I am quite sure that Congress could, by having a joint committee look into the implementation of Public Law 88-108, avoid many of the charges and countercharges, the volume of which seems to be increasing. Hardships to families which may have arisen due to misinterpretation of the Arbitration Board's rulings and interpretations should most certainly be avoided.

Let me conclude by saying that I am not such an optimist as to think that all manner and type of disputes can be looked into, let alone cleared up, by the establishment of such a committee. Some undoubtedly can be. What is even more important is that the Congress can

and should see to it that the policies underlying the laws we have passed are in fact carried out—policies affecting the economic well-being and security of our country, which depends so greatly on our railroads. Now is the time to do this. Delay until March 31, 1966, could cause irreparable hardship.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 78) providing for the establishment of a joint committee of the two Houses of the Congress to study matters relating to the implementation of the award of the board established under Public Law 88-108 to arbitrate a labor dispute between certain carriers by railroad and their employees, introduced by Mr. MILLER, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

ADDITIONAL COSPONSOR OF AMENDMENT

Mr. PELL. Mr. President, I ask unanimous consent that the name of the senior Senator from Wisconsin [Mr. PROXMIER] be added as a cosponsor of the so-called poll watcher amendment No. 167, submitted by the senior Senator from Hawaii [Mr. FONG] to the Mansfield-Dirksen amendment in the nature of a substitute for the voting rights bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. PELL. Mr. President, if there is no further business to come before the Senate at this time, I move, pursuant to the order previously entered, that the Senate adjourn until 12 o'clock noon on Monday.

The motion was agreed to; and (at 6 o'clock and 4 minutes p.m.), the Senate adjourned, under the order previously entered, until Monday, May 10, 1965, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 7, 1965:

NATIONAL CAPITAL TRANSPORTATION AGENCY

Walter J. McCarter, of Illinois, to be Administrator of the National Capital Transportation Agency.

THE JUDICIARY

Donald Frank Turner, of Massachusetts, to be an Assistant Attorney General, vice William H. Orrick, Jr., resigned.

U.S. ATTORNEYS

Justin J. Mahoney, of New York, to be U.S. attorney for the northern district of New York for the term of 4 years. He is now serving in this office under an appointment which expires May 5, 1965.

William T. Thurman, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years. He is now serving in this office under an appointment which expires May 5, 1965.

Joseph P. Kinneary, of Ohio, to be U.S. attorney for the southern district of Ohio for the term of 4 years. He is now serving in this office under an appointment which expires May 15, 1965.

Lawrence M. Henry, of Colorado, to be U.S. attorney for the district of Colorado for the term of 4 years. He is now serving in this office under an appointment which expires May 1, 1965.

STATE DEPARTMENT

John M. Leddy, of Virginia, to be an Assistant Secretary of State, vice William R. Tyler.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 7, 1965:

POSTMASTER

I withdraw the nomination sent to the Senate on January 29, 1965, of Lottie G. Moore to be postmaster at Durbin, in the State of West Virginia.

CONFIRMATIONS

Executive nominations confirmed by Senate May 7, 1965:

DEPARTMENT OF AGRICULTURE

John A. Schnittker, of Kansas, to be Under Secretary of Agriculture.

SECURITIES AND EXCHANGE COMMISSION

Hugh F. Owens, of Oklahoma, to be a member of the Securities and Exchange Commission for the term of 5 years expiring June 5, 1970.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 10, 1965

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., used this verse of Scripture: Isaiah 58: 14: *Then shalt thou delight thyself in the Lord.*

Almighty God, we worship and adore Thee as the Lord of life and light, who alone can enable us to rise above all confusions and contradictions and rescue us from the trials and tribulations which so frequently beset us.

We rejoice that in our loneliness Thou dost walk with us, setting us free from weariness and fear, and girding us with power to remain unitedly steadfast and faithful.

May we understand that the fact of our human solidarity has never been more deeply felt or resolutely proclaimed than it is today.

If our civilization and democracy are to remain, then we must seek to organize society into a fellowship of friendship and fraternity, of good will, and charity.

Wilt Thou send us into the crowded ways of life with hearts of compassion and concern and may the members of the human family live together in honor and peace.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, May 6, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without

amendment a bill of the House of the following title:

H.R. 7064. An act to amend the Foreign Service Buildings Act of 1926, as amended.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1796. An act to amend the Small Business Act to provide additional assistance for disaster victims.

BIRTHDAY ANNIVERSARY OF HON. CARL ALBERT

Mr. STEED. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, I have asked for this time for the pleasure of making a very happy announcement. I should like to inform the Members of the House that today is the birthday of our beloved majority leader, the gentleman from Oklahoma, CARL ALBERT. I want to join in wishing him happy returns of the day and express the hope that he will be here with us many more years for his very distinguished and useful service.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, may I join the distinguished gentleman from Oklahoma in wishing our distinguished majority leader, CARL ALBERT, our very best wishes on this birthday anniversary. We, on our side of the aisle, are proud to work with him. We are proud of the record that he has made in the Congress of the United States. CARL ALBERT is a real gentleman, an outstanding leader of the Democratic Party, and I am very proud and honored to call him a friend. He has our warmest regards and best wishes. We hope he has many more years of good health, happiness, and success.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the distinguished gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I just want to second what our very distinguished minority leader has said about CARL ALBERT. I have worked with CARL ALBERT through the years that we have been here together. He is one of the ablest, finest, and most distinguished gentleman I have known in my lifetime, always cooperative and always understanding. I wish for him many happy years in the future.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I would be amiss in the sentiment of

friendship and of appreciation of the highest qualities of heart and brain in a colleague if I did not join in these happy birthday greetings to the distinguished majority leader. I have never known a more remarkable person than CARL ALBERT. Every day, since the tragic death of Mr. Sam called him to leadership, his stature has grown, and I am making a statement with which I am sure no one will disagree when I say he is recognized on both sides of the aisle as one of the alltime legislative giants of the House of Representatives of the Congress of the United States. I predict for our beloved and dedicated majority leader a future of ever-expanding brilliance in the service of our country and of the American people.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, it is a pleasure to join today in extending birthday greetings to Oklahoma's most famous legislator, our beloved and able majority leader, CARL ALBERT.

Very few men in Washington bear a heavier load of responsibility than our distinguished colleague from McAlester, and certainly no one shoulders his responsibility with greater ability, seriousness of purpose, and genuine humility.

CARL ALBERT has grown in stature and following with every passing year of his remarkable public career, and his contribution to responsible and effective legislative action is acknowledged by all observers of the Washington scene.

Every Oklahoman is proud to salute this outstanding Sooner on his birthday, and I am confident every Member of this body joins in the hope that we can celebrate happy birthdays for CARL ALBERT for many years to come.

ADDITIONAL LEGISLATIVE PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise the House that the gentleman from Texas [Mr. TEAGUE] has advised that he will call up under unanimous-consent request tomorrow three bills unanimously reported by the Committee on Foreign Affairs; namely, H.R. 225, providing statutory authority for the Veterans' Administration to assist the President in his program of honoring the memory of deceased veterans by means of an appropriate certificate to be sent to the next of kin or other close relative or friend. This memorial certificate program is now in operation, and enactment of this bill would place it on a permanent basis; H.R. 2414, authorizing conveyance, without consideration, of approximately 47 acres of land situated in the

reservation of the Veterans' Administration Hospital, Roseburg, Oreg., to that city; and H.R. 4421, authorizing the Administrator of Veterans' Affairs to convey to the city of Cheyenne, Wyo., without monetary consideration, for park and recreational purposes, approximately 27 acres of land, a portion of the Veterans' Administration reservation at the Veterans' Administration Center, Cheyenne.

EXPANDING AUTHORITY OF THE CANAL ZONE GOVERNMENT TO SETTLE CERTAIN CLAIMS

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 720) to expand the authority of the Canal Zone Government to settle claims not cognizable under the Tort Claims Act, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

H.R. 720

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 271 of title 2, Canal Zone Code (76A Stat. 22), is amended to read as follows:

"§ 271. Claims arising from civil government

"(a) The Governor, or his designee, may adjust and pay claims for injury to, or loss of, property or personal injury or death arising from the activities of the Canal Zone Government.

"(b) An award made to a claimant pursuant to this section shall be payable out of any moneys appropriated for or made available to the Canal Zone Government. The acceptance by the claimant of the award shall be final and conclusive on the claimant, and shall constitute a complete release by him of his claim against the United States, except that the Governor may make an interim partial award for humanitarian or compassionate reasons in a sum not exceeding \$1,000.

"(c) This section does not apply to tort claims cognizable under section 1346(b) of title 28, United States Code."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING TRANSFER OF CERTAIN CANAL ZONE PRISONERS TO CUSTODY OF THE ATTORNEY GENERAL

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 724) to authorize the transfer of certain Canal Zone prisoners to the custody of the Attorney General, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

H.R. 724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5003 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(b) The term 'State' as used in this section includes any State, territory, or possession of the United States, and the Canal Zone."

SEC. 2. (a) Subsection (b) of section 6503 of title 6, Canal Zone Code, is amended by striking out "this section" and inserting in lieu thereof "subsection (a) of this section".

With the following committee amendment:

Page 1, line 5, delete "'(b)'" and insert in lieu thereof "'(d)'".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATING ARCHEOLOGICAL EXPLORATION IN THE CANAL ZONE

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 4528) to regulate archeological exploration in the Canal Zone, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

H.R. 4528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 2 of the Canal Zone Code, approved October 18, 1962 (76A Stat. 1), is amended by adding thereto a new chapter 54 embracing sections 741 to 747, and reading as follows:

"CHAPTER 54—ARCHEOLOGICAL EXPLORATION
"Sec.

"741. Archeological exploration declared subject to regulation.

"742. Unauthorized archeological activity prohibited.

"743. Permits authorized.

"744. Regulations authorized.

"745. Receiving items illegally obtained.

"746. Seizure of items illegally obtained; forfeiture.

"747. Punishment of violations.

"§ 741. Archeological exploration declared subject to regulation

"In order to preserve as a public heritage all items of prehistorical and historical value and to increase the knowledge of such items, archeological exploration in all lands and waters of the Canal Zone is hereby made subject to regulation in the public interest.

"§ 742. Unauthorized archeological activity prohibited

"No person shall excavate, explore, injure, destroy, or appropriate any prehistoric or historic ruin, site, wreck, or other thing of prehistorical or historical value except as authorized by the provisions of this chapter or the regulations prescribed hereunder.

"§ 743. Permits authorized

"Except as to military or naval reservations, the Governor is authorized to issue permits for—

"(1) the exploration for, or of, ruins, sites, wrecks, objects, or other things of prehistorical or historical value;

"(2) the excavation of archeological or historical ruins or sites; and

"(3) the gathering or salvage of objects or things of prehistorical or historical value to reputable museums, universities, colleges, or other recognized scientific or educational institutions or societies in the United States or on the Isthmus of Panama, or to their duly authorized agents. The Secretary of each military department or his designee is authorized to issue such permits covering lands and waters within military or naval reservations.

"§ 744. Regulations authorized

"The President is authorized to prescribe regulations for the purpose of carrying out the provisions of this chapter.

"§ 745. Receiving items illegally obtained

"Whoever receives, transports, conceals, stores, barter, buys, sells, or disposes of any object, article, or thing of prehistorical or historical value, knowing or having cause to believe the same to have been obtained or taken without a permit, or contrary to the terms of a permit, or otherwise contrary to this chapter or the regulations prescribed hereunder, shall be punishable as provided in section 747 of this title.

"§ 746. Seizure of items illegally obtained; forfeiture

"Any object, article, or thing of prehistorical or historical value taken, removed, or appropriated without a permit, or contrary to the terms of a permit, or taken, removed, or appropriated in a manner otherwise contrary to this chapter or the regulations issued hereunder, may be seized whenever and wherever lawfully found by any person authorized to enforce this chapter or the regulations prescribed hereunder. Upon conviction of the offender or upon judgment of the United States District Court for the District of the Canal Zone that the property was taken, removed, or appropriated without lawful authority, the property shall be forfeited to the United States and disposed of in the manner provided by the regulations authorized hereunder, even though, when seized, the property may have been in the possession or custody of an innocent holder or purchaser. In instances in which the offender cannot be charged because absent from the jurisdiction or from any other cause, and in instances in which the taking of the property, though unauthorized, occurred under circumstances not constituting a crime, the United States attorney shall bring the matter before the district court by special petition seeking a judgment of forfeiture of the property, giving notice by publication of the right of any person claiming an interest in the property to oppose the petition.

"§ 747. Punishment of violations

"Any person who violates any provision of this chapter, or of the regulations issued hereunder, shall be punished by imprisonment in jail for not more than one year, or by a fine of not more than \$10,000, or by both."

SEC. 2. The chapter analysis of part 2, title 2, Canal Zone Code, is amended by inserting the following item:

"54. Archeological exploration..... 741".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING INCREASED BENEFITS TO PERSONS RECEIVING CASH RELIEF UNDER THE PANAMA CANAL CASH RELIEF ACT AND EXTENDING CASH RELIEF BENEFITS TO WIDOWS OF RECIPIENTS

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 5990) to grant increased benefits to persons receiving cash relief under the Panama Canal Cash Relief Act of July 8, 1937, and to extend cash relief benefits to widows of recipients, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BONNER]?

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand that there will be no cost to the Federal Government as a result of this legislation?

Mr. BONNER. That is correct.

Mr. GROSS. This would not indirectly result in an increased cost in that the retirement benefits will be paid out of revenue from the operation of the Canal Zone?

Mr. BONNER. That is correct.

Mr. GROSS. Of course, if the Federal Government should augment payments for the operation of the Canal Zone, then this would result in no cost even in that event?

Mr. BONNER. That has never been necessary, I will say to the distinguished gentleman, and it is not likely that it will be necessary. With the receipts and the expectation of an increased utilization of the canal, it is hard to understand how that would be necessary.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5990

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 181(b) of title 2, Canal Zone Code, approved October 18, 1962 (76A Stat. 20), is amended to read as follows:

"(b) An additional amount of \$20 per month shall be paid to each person who receives payment of cash relief under subsection (a) of this section and shall be allowed without regard to the limitations contained therein."

SEC. 2. Section 181 of title 2, Canal Zone Code, is further amended by inserting new subsections (c) and (d) and by amending the existing subsection (c) and relettering it as subsection (e), the three subsections to read as follows:

"(c) The Governor of the Canal Zone may pay cash relief to the widow of any former employee of the Canal Zone Government who, until the time of his death, receives or has received cash relief under subsection (a) of this section or under the Act of July 8, 1937. The term 'widow' as used in this section includes only the following:

"(1) A woman legally married to such employee at the time of his termination for disability and at his death; or

"(2) A woman who, although not legally married to such former employee at the time of his termination, had resided continuously with him for at least five years immediately preceding the employee's termination under such circumstances as would at common law make the relationship a valid marriage and who continued to reside with him until his death.

Cash relief granted to such widows shall not at any time exceed 50 per centum of the rate at which cash relief, inclusive of any additional payment under subsection (b) of this section, would be payable to the former employee were he then alive.

"(d) The Governor of the Canal Zone is authorized to conduct an assistance program for the benefit of former employees and their widows who receive cash relief under this section. Such assistance may include medical and nursing services in the recipients' home, medicine, artificial limbs, eye glasses, outpatient treatment, and the repackaging and distribution of donated food and supplies, such as those obtained from the Cooperative for American Remittances to Europe organization. The funds appropriated for this assistance program shall not exceed \$25,000 in any fiscal year.

"(e) Effective October 5, 1958, the Civil Service Retirement Act applies to those classes of employees of the Canal Zone Government and the Panama Canal Company who would have been eligible to receive benefits under the cash relief program if their services had been terminated by reason of disability prior to that date."

Sec. 3. This Act shall take effect on the first day of the month following that in which it is enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING APPROPRIATIONS TO SMITHSONIAN INSTITUTION TO CARRY OUT ITS FUNCTIONS UNDER THE ACT OF JULY 2, 1940

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 7059) to amend the act of July 2, 1940 (54 Stat. 724; 20 U.S.C. 79-79e), to authorize such appropriations to the Smithsonian Institution as are necessary in carrying out its functions under said act, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7059

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act of July 2, 1940 (54 Stat. 725; 20 U.S.C. 79e), is amended to read:

"Sec. 7. There are authorized to be appropriated annually, from money in the Treasury of the United States not otherwise appropriated, such sums as are necessary for the administration of this Act and for the maintenance of laboratory or other facilities provided for carrying out the purposes of this Act."

Sec. 2. Section 4(g) of the Act of July 2, 1940 (54 Stat. 725), as modified by section 801

of Reorganization Plan Numbered 3, effective July 16, 1946 (60 Stat. 1101; 20 U.S.C. section 79b(f)), is amended to read as follows:

"(g) include in its annual report of its operations to Congress a statement of activities and operations during the preceding year."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, the act of July 2, 1940, established the Canal Zone biological area as an independent Government entity with its own board of trustees and an annual appropriations limitation of \$10,000. In 1946, the functions and authority of the independent board were transferred as a whole to the Smithsonian Institution by Reorganization Plan No. 3, and the Canal Zone biological area became an integral part of and an important center for the Smithsonian's programs in tropical biology. Although it was not the intent or effect of this transfer to place a \$10,000 limitation on the Smithsonian's expenditures for tropical biology, it was not possible, using the Reorganization Act power, to remove this inappropriate portion of the original legislation. Consequently this legislation introduced in the Congress at the request of the Board of Regents, is proposed for the purpose of removing this limitation and making clear that the appropriations authority for Smithsonian activities associated with Barro Colorado Island is the same basic authority underlying appropriations for other longstanding Smithsonian research programs.

The passage of such legislation at this time is desirable in view of the Smithsonian's plans to establish an administrative unit to be known as the Institute of Tropical Biology, the purpose of which will be to coordinate and extend the research opportunities now afforded by the various Smithsonian programs in tropical biology, including the activities on Barro Colorado Island. The Smithsonian's efforts to respond with greater effectiveness and economy to its traditional obligations in field biology in the New World tropics, can thus move forward without any possible question as to its appropriations authority which might arise from a misconception of this earlier legislation framed in a more limited context.

Mr. Speaker, I feel it proper to advise the House regarding a breakdown of appropriations and trust fund expenditures of 1950 to 1966 and also a breakdown of current year budget showing the various objects of expenditure. Both as a member of the Board of Regents of the Smithsonian Institution and as a Member of the House I urge the passage of H.R. 7059.

Canal Zone biological area appropriations and trust fund expenditures, 1950-66

Fiscal year	Canal Zone biological area appropriation	Statutory appropriation limitation	Trust fund expenditures	Amount appropriated in addition to statutory limitation
1950	\$5,000	\$10,000	\$10,835	
1951	18,000	10,000	8,721	\$8,000
1952	16,647	10,000	10,744	6,647
1953	7,000	10,000	10,991	
1954	7,881	10,000	10,847	
1955	8,473	10,000	7,920	
1956	18,790	10,000	9,292	8,790
1957	30,274	10,000	7,004	20,274
1958	34,785	10,000	4,513	24,785
1959	61,768	10,000	11,018	51,768
1960	53,000	10,000	21,000	43,000
1961	52,000	10,000	20,000	42,000
1962	60,000	10,000	14,000	50,000
1963	97,000	10,000	10,000	87,000
1964	138,000	10,000	16,000	128,000
1965	159,000	10,000	15,000	149,000
1966	159,000	10,000	15,000	149,000

¹ Estimated.

Canal Zone biological area, fiscal year 1965

	Current annual salary
NM-14 (director)	\$18,176
NM-12 (plant taxonomist)	13,100
NM-12 (zoologist)	12,745
NM-11 (administrative officer)	11,178
NM-7 (administrative assistant)	6,050
NM-4 (wildlife technician)	4,410
NM-4 (clerk typist)	4,139
NM-3 (game warden)	3,245
NM-3 (game warden)	3,245
NM-3 (wildlife technician)	3,037
MS-8 (foreman)	6,781
M-11 (electrician)	6,094
M-10 (launch operator)	5,013
M-10 (launch operator)	5,013
M-8 (cook)	3,162
M-8 (cook)	3,286
M-7 (carpenter)	2,766
M-5 (helper)	2,163

Total salary..... 113,603

(Key: NM=Nonmanual equivalent to general schedule; M=Manual equivalent to wage; MS=Manual supervisor.)

(NOTE.—Overtime, holiday, part time and temporary employment, and certain other premium pay differentials are not included.)

Personnel compensation (11)	\$119,000
Personnel benefits (12)	8,000
Travel and transportation of persons (21)	6,000
Transportation of things (22)	2,000
Rent, communications, and utilities	4,000
Other services (25)	3,000
Supplies and materials (26)	12,000
Equipment (31)	5,000

Total..... 159,000

AUTHORIZING PRINTING OF ADDENDUM TO REPORT OF 44TH NATIONAL CONVENTION, DISABLED AMERICAN VETERANS

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 257) and ask for its immediate consideration.

H. RES. 257

Resolved, That there shall be printed as an addendum to House Document Numbered 39,

Eighty-ninth Congress (the Report of the Forty-fourth National Convention, Disabled American Veterans), the following matter relating to the Disabled American Veterans: (1) financial statements and supplemental schedules for the year ended December 31, 1963, and accountants opinion; and (2) financial statements for the year ended June 30, 1964, and accountants opinion.

SEC. 2. The number of copies of the addendum printed pursuant to the first section of this resolution and the distribution thereof shall be the same as in the case of House Document Numbered 39, Eighty-ninth Congress.

The SPEAKER. The gentleman from Ohio [Mr. HAYS] is recognized.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman.

Mr. GROSS. Only a day or so ago, a Member of the House who is knowledgeable on the subject of the costs of printing told me that we are spending for our printing at the annual rate of about \$5 million. He says this printing bill is increasing steadily. It would be my hope, and I have no quarrel with the resolutions that are to be considered this morning, but it would be my hope that the gentleman and his subcommittee would scrutinize very carefully all bills that pertain to printing that come before his subcommittee in the future.

Mr. HAYS. I can say to the gentleman, and I thank the gentleman for his comments, that the bills that come to the floor are not by any means all the bills that come before the subcommittee and the full committee.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT NO. 175, OF THE JOINT ECONOMIC COMMITTEE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 289 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 289

Resolved, That there be printed for the use of the Joint Economic Committee five thousand additional copies of House Report Numbered 175, Eighty-ninth Congress, first session, entitled "Report of the Joint Economic Committee on the January 1965 Economic Report of the President With Minority and Additional views".

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING AS A HOUSE DOCUMENT A REVISED EDITION OF "THE CAPITOL"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 364 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. CON. RES. 364

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document, with illustrations, a revised edition of "The Capitol"; and that four hundred and sixty-nine thousand additional copies shall be printed, of which four hundred and thirty-nine thousand copies shall be for the use of the House of Representatives and thirty thousand copies shall be for the use of the Joint Committee on Printing.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF POCKET-SIZED EDITION OF "THE CONSTITUTION OF THE UNITED STATES OF AMERICA" AS A HOUSE DOCUMENT

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 383 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. CON. RES. 383

Resolved by the House of Representatives (the Senate concurring), That there shall be printed as a House document the pamphlet entitled "The Constitution of the United States of America" (pocket-sized edition), as revised and reprinted by the United States Department of Health, Education, and Welfare; and that there shall be printed sixty-four thousand five hundred additional copies of such document, of which forty-three thousand nine hundred copies shall be for the use of the House of Representatives and twenty thousand six hundred copies shall be for the use of the Senate. Such copies shall be prorated to Members of the Senate and House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective Senate and House document rooms.

With the following committee amendment:

On page 1, line 2, strike out all after the resolving clause through the word "Welfare" on line 6, and insert the following: "That there shall be printed as a House document 'The Constitution of the United States of America', as amended (pocket-sized edition);".

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES OF "CATALOG OF FEDERAL AIDS TO STATE AND LOCAL GOVERNMENTS—SUPPLEMENT, JANUARY 4, 1965"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 27 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

S. CON. RES. 27

Resolved by the Senate (the House of Representatives concurring), That there be

printed for the use of the Senate Committee on Government Operations sixty thousand additional copies of its committee print of the Eighty-ninth Congress, first session, entitled "Catalog of Federal Aids to State and Local Governments—Supplement, January 4, 1965", a study prepared by the Legislative Reference Service of the Library of Congress for the Subcommittee on Intergovernmental Relations.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

REPRINTING OF HOUSE DOCUMENT 103, 88TH CONGRESS, ENTITLED "HOW OUR LAWS ARE MADE"

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 165) authorizing reprinting of House Document 103 of the 88th Congress, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Resolved, That the concurrent resolution from the House of Representatives (H. Con. Res. 165) entitled "Concurrent resolution authorizing reprinting of House Document Numbered 103 of the Eighty-eighth Congress", do pass with the following amendment:

On page 1, line 8, strike out all after "printed" down to and including "Room." in line 12 and insert "one hundred sixty-three thousand additional copies of such document, of which one hundred thirty-two thousand shall be for the use of the House of Representatives and thirty-one thousand shall be for the use of the Senate."

"Sec. 2. Copies of such document shall be prorated to Members of the Senate and House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective House and Senate Document Rooms."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HEALTH RESEARCH FACILITIES AMENDMENTS OF 1965

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 355 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 355

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2984) to amend the Public Health Service Act provisions for construction of health research facilities by extending the expiration date thereof and providing increased support for the program, to authorize additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes. After general debate,

which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from California [Mr. SMITH], and to myself such time as I may consume.

Mr. Speaker, House Resolution 355 provides for consideration of H.R. 2984, a bill to amend the Public Health Service Act provisions for construction of health research facilities by extending the expiration date thereof and providing increased support for the program, to authorize additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes. The resolution provides an open rule with 3 hours of general debate, making it in order to consider the substitute amendment now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill.

The present health research facilities program was initially authorized in 1956, and provided an authorization of \$30 million annually for matching grants of up to 50 percent of the costs of construction of health research facilities.

When the program was initially authorized, total national expenditures for medical and health-related research were slightly over \$300 million, as contrasted with \$1.7 billion in 1964. The demand, in terms of approved applications for health research facilities construction has always exceeded the funds available. Present estimates are that the backlog of approved but unfunded health research facilities applications exceeds \$80 million for the fiscal year 1965.

Under the Health Professions Educational Assistance Act of 1963, construction assistance is limited to facilities for the teaching of students; however, research facilities are an essential and integral part of any medical, dental, or health professions school. The expansion of medical education requires an expansion of research facilities, for without these facilities a new school cannot attract the faculty for the instruction and inspiration of high-caliber students.

Other demands for new research facilities arise out of the rapid changes taking place in the nature of medical re-

search. Modern methods of research can bring to bear the full array of new techniques but these techniques often require more sophisticated instrumentation, and often involve higher standards of air conditioning and more precise environmental control.

The cost of meeting these needs is far outweighed by the cost to the health of the American people of impeding the progress of medical research through inadequate facilities. The continuation of this program is a minimal and essential step which must be taken to insure the continued progress of medical research.

H.R. 2984 would extend the present program for construction of health research facilities for 3 additional years, with an authorization of \$280 million in the aggregate for matching grants for such facilities, in lieu of the existing \$50 million annual appropriation authorization; provide a 3-year authorization, with a ceiling of \$43 million, for the Public Health Service to enter into research contracts in lieu of the existing authorizations contained annually in appropriation acts; and authorize three additional Assistant Secretaries of Health, Education, and Welfare.

Mr. Speaker, I urge the adoption of House Resolution 355.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the gentleman from Florida [Mr. PEPPER] in my opinion has very ably explained the rule and the purpose of the bill. I agree with his statements and ask to be associated with them.

May I simply add that it is my understanding that this bill is here at the request of the administration. They originally asked for what might be called an open-end, no time limit on the extension. The committee in its wisdom felt that the Congress should review the program periodically and accordingly have placed a 3-year time limit on the extension.

The total cost of the program provided in the bill will be slightly in excess of \$409 million over the 3-year fiscal period 1966 through 1968. An aggregate of \$280 million in appropriations is authorized for health research facilities. Forty-three million dollars annually is authorized for the continuation of contract facilities. It is anticipated that the additional cost associated with the appointment of additional Secretaries will be minimal. The testimony before the Committee on Rules was to the effect that there will be three additional Secretaries. These individuals presently exist and are operating. The main purpose of the provision is that in holding various conferences and attending meetings and the like, if they had this authority their word might be more strongly accepted than if they were merely individuals in the Department. They state that it will not cost too much additional money.

Mr. Speaker, I do not know of any objection to the rule. In fact, I know of no objection to the bill. I urge the adoption of the rule.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell me whether the \$409 million is in addition to present appropriations for the Department of Health, Education, and Welfare or is a part of the appropriation that was approved by the House a few days ago?

Mr. SMITH of California. I would assume that it is part of the appropriations being made. The report states that the total cost of the programs provided in the program is \$409 million for the 3 years.

Mr. GROSS. The question is, would this be additional to the amount since this represents new legislation?

Mr. SMITH of California. I wonder if the gentleman from Arkansas [Mr. HARRIS] would like to answer that question?

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Arkansas.

Mr. HARRIS. No, it is not a new program. It is not a new authorization. The bill extends two present programs that have been in existence for some time and that in my judgment and the judgment of the committee have proved their worth.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. So that the \$409 million, as stated in the report, will not be additional to present appropriations for the Department of Health, Education, and Welfare, but will be absorbed by present appropriations? Is this what I understand from the gentleman from Arkansas?

Mr. HARRIS. No, I did not intend to leave that impression at all. The bill extends two existing programs for 3 additional years. To that extent the bill provides additional authorization for the next 3 years after the program expires this year.

Mr. GROSS. I see. Approximately one-half billion dollars?

Mr. HARRIS. Almost.

Mr. GROSS. Plus the cost of three additional secretaries and their retinues?

Mr. HARRIS. If the gentleman from California will yield further, I shall be glad to continue this discussion when we get in the Committee of the Whole and explain the matter as thoroughly as I can.

Mr. SMITH of California. Mr. Speaker, I have no further requests for time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 98]

Abbitt	Gialmo	Passman
Adair	Gilligan	Patman
Andrews,	Grabowski	Powell
George W.	Green, Oreg.	Price
Andrews,	Gubser	Quillen
Glenn	Gurney	Reid, N.Y.
Annunzio	Halpern	Reifel
Ashley	Hamilton	Resnick
Ayres	Hanna	Robison
Battin	Hathaway	Rodino
Bell	Henderson	Rogers, Tex.
Berry	Holland	Roosevelt
Bingham	Jennings	St Germain
Blatnik	Laird	Saylor
Bolling	Landrum	Scheuer
Brademas	Lennon	Shipley
Brophy, N.C.	Lindsay	Shriver
Buchanan	Long, Md.	Sikes
Cahill	McCarthy	Stephens
Chelf	McDowell	Sullivan
Clawson, Del	Macdonald	Sweeney
Cramer	Mackie	Talcott
Curtin	Mailliard	Teague, Tex.
Daniels	Martin, Ala.	Todd
Dent	Mathias	Toll
Dwyer	Miller	Tuck
Edwards, Ala.	Mink	Vanik
Edwards, Calif.	Moore	Watkins
Ellsworth	Morgan	White, Idaho
Erlenborn	Morse	Widnall
Fino	Morton	Wright
Flood	Mosher	
Fogarty	Nix	

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall, 341 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HEALTH RESEARCH FACILITIES
AMENDMENTS OF 1965

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2984) to amend the Public Health Service Act provisions for construction of health research facilities by extending the expiration date thereof and providing increased support for the program, to authorize additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 2984, with Mr. THOMPSON of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARRIS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this is a highly important piece of legislation. It would extend two existing programs relating to health legislation and authorize the appointment of additional Assistant Secre-

taries of the Department of Health, Education, and Welfare.

Briefly, the bill extends for 3 additional years the current program under which Federal matching grants of up to 50 percent of the cost of construction are authorized for the construction of health research facilities. Existing law authorizes \$50 million annually in appropriations for this purpose and a substantial backlog of applications has built up which cannot be funded because of limitations on existing authorizations.

The committee proposes to deal with the problem as of today by extending the program for 3 additional years, and authorizing appropriations aggregating not more than \$280 million over the 3-year life of this extension. Then the bill provides permanent authority for the Public Health Service to carry out its functions under the present language of section 301 of the Public Health Service Act through the mechanism of entering into contracts. The committee has provided that this contract authority will be limited to 3 years' duration.

Now, you may raise the question why we put a restriction of 3 years on these various programs that our committee has brought to you recently. Several years ago it was decided that due to open-end authorizations of certain programs, some of them have been extended rather rapidly and in the opinion of some, have gone beyond the authorization intended.

So the committee decided that because of the public interest involved, it would be advisable at least for the legislative committee to take a look at the progress of these programs at least once every 3 years. For that reason, these various programs have been extended, and some of the authorizations, with a limitation of 3 years or less on them.

Mr. Chairman, this is a pattern that was developed several years ago and that is the reason for this restriction today.

In addition, Mr. Chairman, we put another restriction insofar as concerns the contractual authority contained in the bill, and that is a limitation of \$43 million to be obligated during any one fiscal year.

Mr. Chairman, this proviso will come in for some discussion. The committee received information that the present program was working very well and the amount of contractual authority for 1964 was \$43 million. Since then, it has developed that this information was incorrect and that the NIH had entered into contracts obligating the total sum of \$46,259,000, and for the entire program under the Public Health Service Act it was \$57,419,000. For this fiscal year the total sum of all of these services for contractual authority is proposed to be at the level of \$79,366,000. Therefore, we did not obtain the correct information on the extent of the program and even the present status of it but nevertheless the committee did include an amendment with this restriction which was offered by our distinguished colleague and ranking minority Member, the gentleman from Illinois [Mr. SPRINGER].

Mr. Chairman, it developed later that we did not have the proper information, but we decided that it would be better to

proceed with it and this matter could be given further attention as the bill progresses through the Congress. We thought, or at least I thought, it would be better to go ahead with the legislation and that we could get more precise information on the program and straighten it up as we go along.

The Public Health Service has had this contract authority ever since 1957, obtained through "point of order" language contained in the annual appropriation bill. Therefore, this authorization provided through amendment to permanent legislation, actually constitutes an extension of existing law with limitations which are not today present in the language contained in the appropriation acts.

I intend to discuss this program at greater length later on in my remarks.

The third change in existing law made by H.R. 2984 is the authorization for additional Assistant Secretaries of Health, Education, and Welfare. Our committee has had bills providing for additional Assistant Secretaries before it for many years, but these bills have always proved extremely controversial. There are many reasons for this but I think it cannot be denied that the existing staff of the Secretary of Health, Education, and Welfare at the Under Secretary and Assistant Secretary level is greatly overburdened. I doubt if there are any men holding comparable status in any department in Washington who have as many different, complicated and highly important jobs as the current Assistant Secretaries of Health, Education, and Welfare.

As I mentioned, our committee has had bills proposing additional Assistant Secretaries for some time. It has been a question of some controversy. I have had some feeling about it myself. In the past I have been very reluctant to go along with the requests that we have had for additional Assistant Secretaries on the basis that the proper showing in my judgment had not been made.

Where the showings have been made in the request, we generally went along with them. Sometimes, unfortunately, we get into a fuss or controversy as to its being a patronage proposition. We felt that a showing was made this year, so the committee decided that responsibility should be placed with the proper people. We have seen the Department grow and expand and spread out all over the lot. We have seen the authorizations go from a little more than a billion dollars in 1953 to expand now to nearly \$8 billion under existing legislation.

Under new legislation that has come with a bill passed by the House and Senate, and the President signed not long ago, and others, it is going to go to almost \$10 billion. That is a lot of work, that is a lot of responsibility. No one man can keep up with this. The responsible people authorized to administer these programs are few. So we decided where there are tremendous programs, as this great Department has, we should have authority to select good and responsible people. The Secretary can delegate the responsibility to those who represent him, and not have to depend

on the Civil Service employee who does not have have the same responsibility to the Secretary. That is precisely the reason I have decided this is an appropriate request. It is, in my judgment, a reasonable request.

We in the report discuss this matter at some length beginning on page 5. I call your attention to the fact we discuss there the problems and the duties of each of these Assistant Secretaries. The third one you probably will notice on page 10 presently carries the designation of a special assistant.

In other words, we are not increasing his duties and responsibilities, and we are increasing his pay only slightly. The others are not given substantially more money—practically the same money—but are being designated into a responsible position which he can be held accountable for by the Secretary. I would think this would be, in my judgment, the way we should establish this governmental program in an effort to carry out the responsibilities which we have given to this great Department.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I shall be happy to yield to the gentleman from Iowa.

Mr. GROSS. It seems to me the gentleman from Arkansas has made quite an indictment of civil service employees. What reason would we have to believe there would be any more responsibility on the part of an Assistant Secretary than on the part of a top-grade civil service employee?

Mr. HARRIS. Let me hasten to say, there is no indictment or intended criticism of the civil service at all. But we do recognize that a civil service employee is a Federal employee under established civil service procedures and law. But when these political appointments are made, and the civil service appointments are not political appointments, they are people who have earned what they have under the law that this Congress has set up and they have earned it on the basis of merit and service. Here we have a responsible position where the Secretary can say to one of his assistants that we have a problem in Iowa or we have a problem in some other place—you go and represent me there and you be responsible for it as my assistant. Consequently, he can hold him accountable. There are other situations where assistant secretaries of the State Department, for example, or the Assistant Secretary of some other department of the Government are involved in a conference on a certain problem and it is a whole lot better, where equal responsibility exists, to have an assistant secretary to sit in on that same conference with the same status. That is the way I feel about it.

Mr. GROSS. The gentleman is not saying inversely that these proposed new assistant secretaries will not be appointed on the basis of politics?

Mr. HARRIS. Well, I would think that any administration regardless whether it is the present administration or the previous administration or any other administration will try to select people who are capable and can perform

the duties and who are people they know sufficiently well to have confidence that they will cooperate. That is a part of our system and that is the way it should be. I think we have to hold people responsible and the appointing officer has to be satisfied that these people who are selected for these places are people who are highly capable. That is what we are trying to do. That is our duty, to see that this can work as it ought to work.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I am glad to yield to the gentleman from Missouri.

Mr. HALL. There is absolutely no question in my mind about the wisdom of the chairman of the committee as to the need for the additional Secretaries or Assistant Secretaries to the Department of Health, Education, and Welfare. I would presume there have been adequate hearings, study, and determination about the workload and the job status and job descriptions as to warrant this.

Mr. HARRIS. The gentleman is correct.

Mr. HALL. I am interested, however, in the question of the changing of the one special assistant for health and medical matters to the Secretary to one of these Assistant Secretaries of the Department of Health, Education, and Welfare. I read carefully the report and even the hearings. The bill itself, it would appear to me that eventually as now written, the special assistant to the Secretary of Health, Education, and Welfare for health and medical matters will be phased out although the incumbent may remain as one of the special assistants to the Secretary. Is it the intention of the legislation before us to have a special assistant or an Assistant Secretary in charge of health, one in charge of welfare, and one in charge of education, or is that to be left entirely to the Secretary of Health, Education, and Welfare? I just want to establish a little legislative record, Mr. Chairman.

Mr. HARRIS. As the gentleman has read in the report, the current special assistant to the Secretary, and the gentleman from Missouri knows who he is and I think he is a very good man, will become the Assistant Secretary in charge of health and medical affairs. At the same time we will phase out this position that he holds. As a matter of fact, it is intended that it be abolished. Of the other two which are described on page 8, it is intended that one be named Assistant Secretary for Special Programs.

Those programs are, of course, listed on pages 8 and 9. They include mental retardation, as well as the Department's activities relating to the Economic Opportunity Act of 1964, youth crime and delinquency, special institutions, and so forth.

The other one proposed here would be assigned, as is explained in the report, as Assistant Secretary for Intergovernmental Relations.

I wish to say, in my position as chairman of this committee, that for the past few years I have had the experience of visiting with and talking with these peo-

ple. Administering the Department of Health, Education, and Welfare has become one of the most difficult jobs in our Government. There are so many things involved in these programs developing. Our country is getting quite large. Our population is expanding, our economy is expanding, getting bigger and bigger all the time.

It appears to me that almost everything now becomes involved with other departments. I do not know how that can be eliminated. It is a simple fact in the operation of these huge departments in the Government today. Consequently, it requires an enormous amount of time even to correlate activity of HEW with, let us say, the Bureau of the Budget, along with the Commerce Department or the Interior Department or any other department, on any particular program. I know this, because I have been trying to help coordinate between departments in respect to one highly important program affecting education in this country, with the educational people in my district, trying to work out something satisfactory and acceptable. We have had a difficult time doing so. It has required a lot of time of the people in policymaking positions.

Mr. HALL. I agree with the gentleman. I am well aware of the fact that they must also have a liaison with the Congress. This in itself becomes a difficult problem of coordination and interdigitation, at least of various persons.

Mr. HARRIS. I should like to say that Mr. Wilbur Cohen has been made Under Secretary of Health, Education, and Welfare and has been handling that responsibility, along with some others in the Department, with the various divisions, bureaus, and so on within that Department.

It has been my experience that Mr. Cohen does a splendid job in advising Congress of the facts and providing information. We may disagree at times, but I believe he is one of the most efficient and well qualified men for this particular service with whom I have had experience in some time. He has always been fair. He has always honored anything that I would request of him. He has always endeavored to provide information which I requested. He has done a tremendous job.

Mr. HALL. If the gentleman will yield further, I would say that is a part of his opinion I do not share with him, but I can certainly disagree without being disagreeable. I am glad the gentleman made the statement about this former employee, who is now on leave to the Federal Government, I believe, from one of the great universities, as a professor of political science.

Is it understood by the distinguished Chairman, now in the well of the House, that he and/or the Secretary will, in addition to the Commissioner of Education and/or the Commissioner of Health and/or the Commissioner of Vocational Rehabilitation, or these other assistants, in addition to the Assistant Secretary for Special Projects and the Assistant Secretary for Legislative Liaison, and one at least pro tem until his appointment expires or runs out, will act for health

and medical matters, and that these things will be handled by the Secretary and the Deputy?

What worries me is that after the incumbent's appointment expires, under existing legislation there could no longer be anyone designated or bent into such responsibility for health and medical matters.

I submit to you that with medicare coming up to be administered by this Department, as it says in H.R. 6675, which passed this House, the original medicare for civilian dependents act continuing, with our new mental installations and with this very bill here today which is to be administered by them, if there was ever a time when we needed someone to head up these committees at the State level dealing with hospitals and to head up the new training program and the new mental health staff procurement program which we passed under the able leadership of the chairman in the well of the House and his committee, then this is the time. This is the time when we need someone designated who has special expertise not only in the consideration of these bills which become legislation but for their implementation and regulation. I hope that we might continue to have designated even a physician in this period who will serve on the staff of the Secretary and be responsible for these matters.

Mr. HARRIS. I share the gentleman's views with reference to the needs for specialists for particular programs. We are not attempting to interfere with that concept at all. All we are trying to do here is to get the organization set up in HEW where the Secretary can have someone that he can hold responsible, and that we in the Congress can hold responsible.

Having said that let me go further. It is the general consensus of our committee that the whole organizational structure of HEW ought to be gone into. With the cooperation and at the suggestion of the committee I have established a committee made up of members of our committee and have already obtained several staff members for the particular purpose of making a very thorough and objective study of the whole organizational setup of this great, sprawling Department, particularly with reference to those parts of the agency that come under our jurisdiction.

This, of course, will also be correlated with the jurisdiction of other committees as best we can. We feel an objective job can be accomplished to see that the organization itself is set up so as to carry out these various programs that Congress has provided. I think it is a feasible and justifiable attempt that we are making here. We will pursue it in an effort to bring about the best possible administration of these programs.

Mr. HALL. I compliment the gentleman. I am well aware of this special committee study going on in his Committee on Interstate and Foreign Commerce which does deal with all matters coming up in Congress affecting health except those involving the Committee on Ways and Means.

Mr. HARRIS. And the Committee on Education and Labor, among others. Of course, we will confer with them as we go along on these correlated programs.

Mr. HALL. I hope the distinguished committee keeps its jurisdiction and emphasizes the need for an assistant secretary designated to be in charge of health matters in these times when we are spreading the benefits of our knowledge relating to health to all of our people, as we probably should do.

I thank the gentleman.

Mr. HARRIS. I thank the gentleman for the comments and suggestions he has made here.

I believe from the responses that I have gotten from Members of the House as well as from others, that there are many persons who feel that such a study is long overdue, and will be extremely helpful. Among the matters that I expect the special subcommittee to look into will be the programs contained in this bill—that is, the program of assistance for construction of health research facilities; the program of contract authority, with some emphasis on the collaborative research programs conducted by the National Institutes of Health; and the functions, duties, and operations of the new Assistant Secretaries of Health, Education, and Welfare.

These matters will not, of course, be the only matters of concern to the subcommittee, since I expect that they will take a good hard look at all of the programs of the Department which affect matters within the legislative jurisdiction of our committee; however, I mentioned the establishment of the subcommittee in connection with this bill because I expect that the programs contained in the bill will be among those studied by the subcommittee.

HEALTH RESEARCH FACILITIES

Mr. Chairman, this bill authorizes an extension of the current health research facilities program. In 1956, this program was initially authorized. At that time, the total national expenditures for medical and health-related research were slightly over \$300 million. In 1964 almost six times as much was spent throughout the United States for this purpose or a total of approximately \$1.7 billion.

The demand for these facilities increases each year. Our report, on pages 24 and 25, shows the professional disciplines covered by projects awarded through December 31 of last year, and the types of institutions which have received these awards. The majority of the grants for the construction of these facilities insofar as concerns numbers of requests are by universities or colleges, which have received 325 projects during the life of the program, at a total cost in excess of \$68 million. The second largest category of institutions which have received awards, and the largest in terms of dollar amounts, are schools of medicine, which have received 278 projects at a total cost to the Federal Government of \$160 million. In addition, projects have been awarded to schools of dentistry, pharmacy, and schools of veterinary medicine, and other institutions.

A total of 179 projects have been awarded to hospitals and 113 to research institutes. There have been a total of 1,263 construction grants made under the program to date totaling \$320 million. These awards have been made to 399 institutions in every State, the District of Columbia and the Commonwealth of Puerto Rico. For every Federal dollar that has been spent, more than \$1.50 has been provided from non-Federal funds. The total cost of the research construction aided with assistance under this program has totaled \$819 million, of which \$320 million has been furnished through Federal funds.

This program is an extremely important and vital one, and our committee unanimously recommends its continuation with the modifications contained in the bill.

RESEARCH CONTRACT AUTHORITY

Section 3 of the bill, as I mentioned before, is an extension of the existing program under which the Public Health Service is authorized to enter into contracts to carry out the purposes of section 301 of the Public Health Service Act.

This section contains broad general authority to the Surgeon General to deal with his responsibilities under the act. It provides:

The Surgeon General shall conduct in the Service, and encourage, cooperate with, and render assistance to other appropriate public authorities, scientific institutions, and scientists in the conduct of, and promote the coordination of, research, investigations, experiments, demonstrations, and studies relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and impairments of man, including water purification, sewage treatment, and pollution of lakes and streams.

The amendment made by section 3 of the bill will add a new subsection to section 301 which will provide that the Surgeon General may, in carrying out his duties, under section 301, use the mechanism of entering into contracts including contracts for research or development under authority similar to that possessed by the heads of military departments under title 10 of the United States Code. The sections of title 10 referred to are set out for the information of Members of the House on pages 19 and 20 of the committee report.

Under these sections, a contract for research could provide for acquisition or construction by, or furnishing to, the contractor of research facilities and equipment which the Secretary of Health, Education, and Welfare determines to be necessary for performance of the contract. The facilities that could not be readily removable or separable without unreasonable expense could not be installed unless special provisions were included in the contract to protect the interests of the United States. In addition, such contracts could also contain provisions to indemnify contractors against claims by third persons from risks that the contract defines as unusually hazardous and against loss of or damage to property from a risk defined as unusually hazardous.

Members may have noted that the authority in section 301, which is amended

by the bill, is extremely broad. In providing permanent authorization for contract authority, our committee has provided a limitation on this authority so that the administration will have to return in 3 years and justify the continuation of this program. In addition, we have placed an overall ceiling on the amount of obligations which may be incurred during any fiscal year pursuant to this new authority. I expect that the obligations under this contract authority both in the past and in the future will be looked into by the special subcommittee headed by the gentleman from Florida [Mr. ROGERS], and we will review the legislative authorization 3 years from now when we receive the expected request from the administration for the further extension of the program.

ASSISTANT SECRETARIES OF HEW

Section 4 of the bill provides for the appointment of two additional assistant secretaries and for the conversion of the existing position of Assistant to the Secretary for Health and Medical Affairs to the position of an Assistant Secretary of Health, Education, and Welfare.

As I have already mentioned, our committee report states on pages 6 to 10 the duties which it is presently planned will be assigned to the new Assistant Secretaries. We realize that the Secretary must retain flexibility in the assignment of duties to the Assistant Secretaries; therefore, this bill does not specify their duties but leaves the assignment to be made by the Secretary from time to time as the needs require.

I do not think it can be denied that the Secretary of Health, Education, and Welfare requires additional top-level assistants. The Department was created in 1953. In the 12 years that it has been in existence it has turned out to be the fastest growing Department in the entire Federal Government.

Since the Department was created, there has been no change in the top level staff available to assist the Secretary in carrying out his very broad responsibilities under the law. Currently, there are two Assistant Secretaries and one Assistant to the Secretary for Health and Medical Affairs. In addition, there is an Assistant Secretary for Administration, whose position is not subject to Senate confirmation. This means that the Department has three Assistant Secretaries and one Special Assistant to the Secretary, who, in addition to the Secretary, constitute the entire top level staff of the Department, aiding and advising the Secretary. Since the Department was created in 1953, more than 125 laws have been enacted which either created new programs or expanded existing ones. Over 70 grant-in-aid programs currently administered by the Department have been adopted since 1953. Expenditures from the old age, survivors, and disability insurance trust funds have increased from \$3.4 billion to \$17.6 billion.

The most significant indicator of the growth in the Department's responsibility is found in the level of appropriations. In 1953, the Department's budget was \$1.9 billion. The budget for fiscal

year 1966 calls for total appropriations of \$7.8 billion under existing legislation and \$2 billion under new legislation for a total of \$9.8 billion.

These facts make it abundantly clear that the Secretary's need for additional top level staff is urgent and, accordingly, we recommend the establishment of the Assistant Secretary positions called for by the bill.

CONCLUSION

Mr. Chairman, this bill was the subject of 4 days of hearings before our committee; was considered in great detail; was amended fairly substantially by the committee; and I might add, in my opinion, the amendments strengthened the bill greatly. The bill was ordered reported to the House by a unanimous vote of the committee. We recommend its enactment.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I shall be glad to yield to the gentleman from Minnesota.

Mr. NELSEN. I note from the committee report, the Wooldridge report, the review group, in its language indicated some dissatisfaction relative to contractual work that had been done. We discussed this in the committee and there is included in the report some recommendations. I wonder if you want to touch on that for the purpose of legislative history, which might be a little incentive to this operation, that is, to sharpen it up a bit.

Mr. HARRIS. I will be glad to discuss this.

We are, of course, aware that there has been some criticism of the research contract mechanism used by the Public Health Service. That is one of the reasons we provided a 3-year limitation on this authority and have placed a ceiling on the funds which may be obligated under this program.

In the summer of 1963, President Kennedy directed that the Office of Science and Technology implement an investigation of the National Institutes of Health. On February 17, 1965, the President made public the report of the NIH Study Committee which conducted this study, under the chairmanship of Dr. Dean E. Wooldridge.

As a part of this report, the committee expressed some criticism of the collaborative research programs conducted by the National Institutes of Health.

The review panel of the Committee which studied the NIH collaborative programs expressed some criticism of the contractual mechanism for research, directed in large measure to the administration of these contracts. The review panel, however, recognized that the research contract is desirable under some circumstances, and stated—page 88 of the Wooldridge report:

In general, then, we recognize the usefulness of the contract mechanism for those situations in which a concerted developmental effort is indicated.

The committee expects to study the matters raised in the Wooldridge report in the near future, and particularly operations under the contract authority as carried out in the past and as extended

in this legislation. Pending the completion of the committee's proposed study of this and other matters relating to the Public Health Service, the committee has extended the contract authority requested by the Department for 3 years at fiscal 1964 levels of appropriations utilized for the National Institutes of Health.

Mr. Chairman, the committee reported this bill unanimously, and we hope it will be adopted.

Mr. SPRINGER. Mr. Chairman, I yield myself such time as I may consume.

In the year 1956, only 3 years after the Department of Health, Education, and Welfare was organized, a system of grants for health research facilities was instituted. Starting off modestly, it enjoyed such success with the universities, the medical schools, and the scientific community generally that by 1961 these grants amounted to \$50 million a year. Research in the health field has always been an inherent activity where medical education was taking place. Most of the important medical discoveries of recent times have come from our universities producing graduate doctors. The principle has become so well accepted that no medical school is complete without a broad and meaningful research program.

The 88th Congress passed the medical education bill, the purpose of which was to provide more facilities for the education of doctors and other medical professionals. There is every indication that this program will pay off as planned. As more facilities are created for the education of doctors, more research facilities are also needed. At the present time there is a backlog of approved projects amounting to \$80 million. As the bill came to the committee it contained no ceiling on expenditures and would have continued for 5 more years. In keeping with precedent, the committee limited the program to 3 years and placed an overall ceiling of \$280 million for the period. This should take care of the bulge created by the expansion in medical education. Although it is generally understood, it should be said that the main purpose of health research facilities is not to give research experience to students and professors, but to produce basic knowledge and new procedures to combat the diseases of mankind.

The bill also provides for authority to make contracts for the conduct of research and other purposes. The Department has been exercising this kind of authority for several years by virtue of language in the appropriations bill. I am informed that the Appropriations Committee had given notice that this practice could not continue and that proper legislative authority should be obtained. The request itself was very simple, but trying to discover exactly how the authority had been used turned out to be very difficult. The budget language was so mushy that no specific figure could be determined. As far as one could tell from examination of the budget submission and the conclusion drawn by the Wooldridge report, the contracts authority had been used almost entirely for cancer research and the development of vaccines by NIH. A book

containing all of the outstanding contracts of this kind was submitted, and it appeared that \$43 million would cover the activity. Later we discovered that the Department had intended to expand the use of the contract device and would spend over \$60 million in the next year and about \$90 million in the following year.

Examination of the report to the President, called "Biomedical Science and its Administration," otherwise known as "the Wooldridge report," disclosed that the use of the contract authority for health research projects is the weakest spot in NIH administration. It suggests further examination of the subject. It does, however, indicate that the use of this device to obtain health research has much to be said for it when properly handled.

A great deal of the research in the health area can be and is done through grants to institutions and individuals. The success of this device depends entirely upon the desire of the individual scientists or the group of scientists to pursue the line of research suggested. There are many kinds of activities which will require intensive and continuing research under the supervision and control of the Public Health Service. This can best be done by contracts with industry.

A good example of research activity conduct under contract is the operation of Oak Ridge for the Atomic Energy Commission by the Union Carbide Co. I do not feel that there is any need for concern at the present time about granting this authority. There does need to be more explanation and considerably more light on the entire subject. I have no doubt that this entire operation will now be well ventilated. Meanwhile the committee has recommended that the authority be reexamined in 3 years and that during this period the use of the contract authority for all purposes within HEW be limited to \$43 million per year. This will avoid the possible cutting back of desirable projects already well underway, but will prevent any expansion in this area until we can learn more about it.

An entirely different and unrelated subject contained in this bill would allow for the appointment of three new Assistant Secretaries within the Department of Health, Education, and Welfare. I am sure there is some feeling within the Committee and elsewhere that the justification for these positions is weak. It has been demonstrated many times in Government that the right people with the wrong organization can do nearly anything, while the wrong people with the perfect organization accomplish little. There are strong arguments for the general proposition that HEW needs more leadership at the policy level. The Department has grown tremendously and the emphasis on health and education in the legislation of recent years has multiplied the workload of HEW by many times. This factor and a comparison with other departments would seem to justify the existence of policymaking personnel responsible to the Secretary. There has been some tendency in this particular Department, however, to use

Assistant Secretaries as dumping grounds for assorted programs. There is a definite need for better compartmentalization and unification of related activities. We are willing to go along with the request, but we are watching with interest the way these new positions are used.

I recommend the passage of H.R. 2984. Mr. HARRIS. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I rise in support of this legislation. This extension of a program which the Congress has already wisely acted upon is needed to continue the success already accomplished through State and Federal cooperation. As a member of the Interstate and Foreign Commerce Committee, I have followed the measure before the House closely, and urge favorable House action on it.

H.R. 2984 does allow a 3-year extension of the health research facilities program instead of allowing a standing authority for annual appropriations of up to \$50 million per year. It also allows for 3 years of authority of the Public Health Service to enter into research contracts instead of the existing authorizations now allowed each year.

This new basis should give clear direction in these programs, and set down guidelines of congressional intent in a positive way.

The increasing demands for medical research, along with the rapid changes in research methods, give logic for closer coordination between these programs and the Congress. I am hopeful that the Congress will support the committee's amendments as presented in this legislation.

Mr. CLEVELAND. Mr. Chairman, I am pleased to support H.R. 2984, which will extend the present program for construction of health research facilities for 3 additional years and provide the necessary new means for carrying out the program with the greatest efficiency.

The health research facilities program is administered by the Department of Health, Education, and Welfare, which was created by President Eisenhower in 1953. The health research program itself was created under the Eisenhower administration in 1956. The wisdom and foresight of this action is providing great rewards in the battle against disease and affliction. The demands for new facilities are rising at a rapid pace and it is proper that we now revise the program in keeping with present and future requirements.

Modern medical research is extremely complex and very expensive. Modern laboratories are miracles of engineering and modern experimental work requires controls and equipment of a precision unattainable only a few years ago. The refinements of research today are matched by the need for effective supervision and coordination. The old, rigid divisions of science are collapsing as we find underlying laws and principles applying to physics, medicine, biology, chemistry, and the other fields alike.

As on who served on the Select Committee on Government Research of the

88th Congress, I have an education on these problems unavailable to most laymen and I believe this legislation will help the Federal Government to improve its vital supporting role in scientific research. I congratulate the Interstate and Foreign Commerce Committee for the excellence of its work on this bill. I urge the House to pass it.

The CHAIRMAN. There being no further requests for time, pursuant to the rule the Clerk will read the substitute committee amendment printed in the report on the bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 2984

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Research Facilities Amendments of 1965".

HEALTH RESEARCH FACILITIES CONSTRUCTION GRANTS

SEC. 2. (a) Section 704 of the Public Health Service Act (hereinafter referred to as the "Act") is amended by inserting after "\$50,000,000," the following: "and for the fiscal year ending June 30, 1967, and the two succeeding fiscal years, an aggregate of not to exceed \$280,000,000."

(b) Subsection (a) of section 705 of the Act is amended by striking out "June 30, 1965" and inserting in lieu thereof "June 30, 1968".

CONTRACTS FOR RESEARCH

SEC. 3. Section 301 of the Act is amended by striking out "and" at the end of subsection (g), by redesignating subsection (h) as subsection (i), and by inserting immediately before such subsection the following new subsection:

"(h) Enter into contracts during the fiscal year ending June 30, 1966, and each of the two succeeding fiscal years, involving obligations of not more than \$43,000,000 for any such fiscal year, including contracts for research in accordance with and subject to the provisions of law applicable to contracts entered into by the military departments under title 10, United States Code, sections 2353 and 2354, except that determination, approval, and certification required thereby shall be by the Secretary of Health, Education, and Welfare; and".

ADDITIONAL ASSISTANT SECRETARIES OF HEALTH, EDUCATION, AND WELFARE

SEC. 4. (a) There shall be in the Department of Health, Education, and Welfare, in addition to the Assistant Secretaries now provided for by law, three additional Assistant Secretaries of Health, Education, and Welfare, who shall be appointed by the President, by and with the advice and consent of the Senate. The provisions of section 2 of the Reorganization Plan Numbered 1 of 1953 (67 Stat. 631) shall be applicable to such additional Assistant Secretaries to the same extent as they are applicable to the Assistant Secretaries authorized by that section.

(b) The office of Special Assistant to the Secretary (Health and Medical Affairs), created by section 3 of the Reorganization Plan Numbered 1 of 1953 (67 Stat. 631), is hereby abolished.

(c) Paragraph (17) of section 303(d) of the Federal Executive Salary Act of 1964 (78 Stat. 418) is amended by striking out "(2)" before the period at the end thereof and inserting in lieu thereof "(5)"; and paragraph (95) of section 303(e) of such Act is repealed.

(d) The President may authorize the person who immediately prior to the date of enactment of this Act occupies the office of Special Assistant to the Secretary (Health and Medical Affairs) to act as one of the ad-

ditional Assistant Secretaries authorized by subsection (a) of this section, until that office is filled by appointment in the manner provided by such section. While so acting, such person shall receive compensation at the rate now or hereafter provided by law for Assistant Secretaries of executive departments.

Mr. HARRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to comment further on the limitation of \$43 million on the expenditures for research contracts. I should like for just a moment to make some comparisons of the limitation with the current budget. Should the limit of \$43 million that is placed on expenditures by the Public Service Act for research and development contracts during fiscal years 1966, 1967, and 1968 remain, the effect on the current public health service research program and on plans for the further development of these programs would be widespread and significant.

The figure \$43 million represents the applications by the National Institute of Health for research contracts during fiscal year 1964. Since the proposed limit would apply to all bureaus of the Public Health Service and would apply to fiscal years 1966 through 1968, the limit would have the effect of forcing a major reduction in the public health service research contract programs.

I intend to obtain permission when we get back in the House to include at this point in the RECORD a table which will give the factual situation for our own use and information as this matter developed.

Then I will discuss the effect on the current contract program on the future program development; on the restriction of the choice of financing mechanism and the restriction on the use of industrial capability applicable to health programs.

It would be my purpose to have all this information in the RECORD because of the apparent misunderstanding to which I alluded earlier and the gentleman from Illinois [Mr. SPRINGER] referred to a moment ago, in order that we can have the factual information regarding this for such use as we might need it for as this matter progresses through the Congress.

I will also put into the RECORD at the appropriate place a full discussion, Mr. Chairman, of the research contract authority for these programs of the Public Health Service. I think it is important because the gentleman from Florida [Mr. ROGERS] and his special subcommittee will go into all of these problems. They are making an objective study of the entire organizational setup of the Department. In view of the fact that we had the Wooldridge report which the gentleman from Minnesota [Mr. NELSEN] inquired about, and other reports including several congressional committee reports, and in view of all of the work of this great and important Department of our great Government, we intend to conduct a full and thorough study of the problems. All this information should be made available in connection with the study and for our use as these programs are considered.

Mr. Chairman, I include the material referred to above at this point:

THE EFFECT ON PUBLIC HEALTH SERVICE RESEARCH PROGRAMS OF LIMITATION ON EXPENDITURES FOR RESEARCH CONTRACTS
COMPARISON OF LIMITATION WITH CURRENT BUDGET

If a limit of \$43 million is placed on expenditures by the Public Health Service for research and development contracts during fiscal years 1966, 1967, and 1968, the effects on current PHS research programs and on plans for the further development of these programs will be widespread and significant. The figure of \$43 million represents the obligations by the National Institutes of Health for research contracts during fiscal year 1964. Since the proposed limit would apply to all bureaus of the Public Health Service and would apply to fiscal years 1966 through 1968, the limit would have the effect of forcing a major reduction in PHS research contract programs.

The following table gives the total obligations for PHS-negotiated contracts¹ for fiscal year 1964, the estimated obligations for the current fiscal year, and estimated obligations for fiscal year 1966 based on the President's budget request:

[In thousands of dollars]

Public Health Service operating bureaus	Fiscal year 1964	Fiscal year 1965	Fiscal year 1966
Bureau of State Services:			
Community health.....	5,611	11,895	21,189
Environmental health.....	4,624	6,263	8,028
National Institutes of Health:			
National Center for Health Statistics.....	46,259	60,090	63,308
National Library of Medicine.....	390	362	541
PHS total.....	57,419	79,366	94,132

EFFECT ON CURRENT CONTRACT PROGRAMS

The cutback resulting from the proposed limitation would require curtailment or limitation of a number of current PHS research activities which are heavily dependent on research contracts. Prominent examples are:

1. The National Cancer Institute is currently launching a special program aimed at a systematic exploration of the possible virus-leukemia relationship. For fiscal year 1965, the Congress added a special \$10 million appropriation to start this program. One possible payoff of this activity is the development of a vaccine effective against some types of leukemia.
2. The cancer chemotherapy program seeks to identify chemical agents which are effective against various forms of cancer. The program procures large numbers of chemical agents and tests them for anticancer effects. Contracts are used to support the drug development and evaluation phases of the program up to the clinical level.
3. The environmental health sciences program includes a group of contractual community studies on pesticides in which the communities were selected to provide a range of different pesticide exposure situations by geographical area, type of pesticide, method of application, and other factors.
4. The National Institutes of Allergy and Infectious Diseases utilized contracts in its virus reagents programs which has assumed increasing importance in the research effort against respiratory diseases of vital causation. This program makes available stand-

¹ Negotiated contracts are used for the procurement of property and services outside formal advertised bidding. Such negotiation is authorized under the circumstances enumerated in sec. 302(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251-260).

ardized reagents for numerous agents important in human infections including influenza. A contract has been awarded for the establishment of a reagent storage and distribution center. The NIAID also uses contracts in carrying out its program of vaccine development in the area of respiratory disease.

These are only a few examples of the many scientific and technical activities of the Public Health Service carried out largely through contracts.

Since the ceiling of \$43 million is approximately \$36 million below the current level of PHS research contract obligations, the PHS would be forced to cut off or drastically retrench the important activities described above, as well as in other valuable contract programs.

EFFECTS ON FUTURE PROGRAM DEVELOPMENT

As serious as the cuts in current programs would be, a more profound effect of the ceiling and its continuation through fiscal year 1968 would be the limitation placed on the ability of the Public Health Service to effectively exploit new opportunities presented by the advances in biomedical sciences and the potential application to health problems of new capabilities derived from the physical sciences and related engineering and technological fields. Some of the most exciting prospects for the application of scientific knowledge to the reduction of human death and suffering will depend on extensive use of the contract mechanism, especially when the use of industrial capability is involved.

The opportunities are particularly bright at this time because of the increasing interest of industrial firms in the aerospace and electronic fields in applying their sophisticated technology to problems in the health area. During the summer of 1964, senior NIH staff reviewed developmental research needs in the health area to identify specific projects which might put to high priority use the industrial R. & D. capabilities expected to become excess to Department of Defense needs. This effort was stimulated and coordinated by an interagency committee on Possibilities and Policies for Industrial Conversion, headed by Mr. Arthur Barber, Deputy Assistant Secretary of Defense for Arms Control.

The objectives of this effort were threefold: First, to encourage aerospace and other defense-oriented industries to diversify their interests, and thereby minimize the impact of defense cuts on individual companies and on the geographic area dependent on these companies for employment; second, to hold together the industrial, scientific, and engineering teams that had already contributed so much to the Nation and still offered unique competencies; and third (the basis for NIH participation), to improve the quality of existing Federal programs by bringing to them the insights and proven techniques of advanced industrial research—particularly the systems approach.

NIH scientists identified many promising uses for these R. & D. capabilities in the health research area. From the many proposals made, eight project areas involving a first-year expenditure totaling \$17 million and a second-year level of \$75 million plus were selected for submission to the Barber Committee. A more detailed description of these opportunities has been supplied to the House Appropriation Committee as a part of the hearings of the budget for fiscal year 1966. A listing of these projects is attached. The conduct of all of these activities was predicated on the use of research contract authority.

RESTRICTION ON THE CHOICE OF FINANCING MECHANISM

One of the serious effects of the ceiling on the use of research contracts would be

the restriction placed on program managers in choosing the financing mechanism most appropriate for effective conduct of a given research or development program. The rapid increase during recent years in the use of research contracts by the PHS is the cumulative result of individual program decisions that the contract was the preferable mechanism for carrying out the particular program purpose. This trend also reflected the maturing of the biomedical sciences as developmental opportunities, aimed at applying knowledge to health problems, became more common. The increased use of contracts also reflected the growing involvement of industrial capability in PHS programs.

If the use of contracts is restricted, the choice of mechanism may in fact be the determinant factor in program decisions. We believe that the missions of the PHS can be more efficiently carried out if the choice of mechanism results from rather than determines the program decision.

RESTRICTION ON THE USE OF INDUSTRIAL CAPABILITY APPLICABLE TO HEALTH PROBLEMS

The most specific and potentially the most serious problem presented by a limitation on the use of research contracts would be practical elimination of further involvement of industrial firms in the health-related programs which are the responsibility of the PHS. Since the pharmaceutical firms, the aerospace industries, and electronic and computer firms have so much to offer in the future evolution of the national medical research effort, and since the industries are expressing increased interest in applying their capabilities to these problems, the wisest course would seem to be to seek maximum utilization of this vast potential in achieving the health objectives set forth for the Public Health Service in its basic enabling legislation. Because the contract is the only mechanism appropriate for the financing of research in profitmaking firms, increased use of contracts by the PHS is totally consistent with present program trends and farsighted program direction.

The Public Health Service should be in a position to draw on the creativity of American free enterprise in seeking the solution to the health problems which have been given high priority by this administration and the Congress. In so doing, the PHS would be following the productive pattern of collaboration between Government and industry which is already firmly established in the other major fields of research and development receiving significant support from the Federal Government.

THE IMPORTANCE OF RESEARCH CONTRACT AUTHORITY FOR THE PROGRAMS OF THE PUBLIC HEALTH SERVICE

THE EXPANSION OF THE KNOWLEDGE BASE

In the first 15 years, a strong foundation of quality research activities in the sciences related to health has been developed, largely through the rapid rise in Federal support for health-related research. During this period, the major emphasis of Public Health Service research support programs has been the strengthening of the research and research-training capabilities of universities, medical schools, and other nonprofit research institutions in the health-related sciences. Federal research support directed toward the development and continued functioning of this broadly based research structure in the biomedical sciences has been provided primarily through the grant-in-aid mechanism. This instrument is most responsive to the initiatives and priorities set by the scientists in these non-Federal institutions.

THE EMERGING OPPORTUNITIES FOR DEVELOPMENTAL EFFORTS

The productivity of these non-Federal research programs, supported in the public

interest by PHS funds, has contributed in many ways to our understanding of basic disease and life processes as well as our ability to alleviate suffering and forestall death. The progress in the advance of basic knowledge has created the potential for the undertaking of a variety of deliberate developmental and applied research activities. The development of vaccines for respiratory diseases, the furtherance of applied research in the viral etiology of cancer, and the design and development of artificial organs such as the mechanical heart and artificial lung, improved methods of hemodialysis to save lives threatened by diseased kidneys, and development of new means for coping with environmental hazards are examples of the current direction of research activities which progress in the basic sciences has made possible. The search for chemical agents which fight the spread of cancer, large coordinated studies aimed at identifying the causes of birth defects, the development of automated hospital systems, and the use of computers in clinical testing are other examples where hope exists that developmental and applied research activities can produce practical results.

In the areas just cited, information is at hand that will permit relatively precise definition and specification of the nature and dynamics of biological processes, both normal and pathological. With such specifications, it is possible to explore the development of support or replacement systems for physiological processes and organs on the one hand and on the other to pursue in a deliberate manner specific diagnostic and therapeutic approaches to certain disease problems. These approaches will involve intensive exploratory and advanced developmental effort before such concepts can be brought to practical result.

Another trend which creates the potential for productive developmental efforts is a growing awareness of the significance of advances in the physical sciences and related engineering and technological capability to medical research and health services. The scope of potential contributions to health and medicine from these fields is very broad, ranging from new materials, instrumentation, and electronics to the application of computer technology and systems analysis concepts. The current biomedical scene is marked by an accelerating interplay between the life sciences and the technology and concepts of the physical sciences. New areas of effort characterized by biomedical engineering, medical electronics, bioinstrumentation, etc., have emerged.

The stage of this development is such that opportunity for a major exploitation of this new capability in the furtherance of the medical sciences and clinical medicine seems clearly at hand. The conduct of programs of this character involves greater control over the course of technical activity and more coordination and integration of the various parts of the developmental program. These types of activities also require access to new levels of scientific and technical talent.

THE RESULTANT NEED FOR CONTRACTING CAPABILITY

In order to take advantage of the opportunities to improve the Nation's health, which are presented by these emerging fields, it is vital that the Public Health Service have access to adequate research contract authority. The contract enables the program manager to exert the necessary degree of control and coordination over the conduct of the parts of the developmental program. An example is the need to establish uniform protocols in a number of contracts which comprise a coordinated program so that meaningful comparisons can be made among the results of the various contracts. In the absence of adequate research contract au-

thority, the program leader in important PHS activities is limited to the use of research grants to finance the desired research undertaking. Because the nature of the grant mechanism puts emphasis on the purposes and initiative of the non-Federal scientific investigator and provides terms and conditions most suitable for the free pursuit of new research leads, it is most appropriate for the support of unstructured research activities, such as those found in the academic environment. In these more fundamental research activities, the end result to be achieved is often unknown at the start of the research project, and any attempt to structure the research so as to reach a predetermined goal may involve a waste of effort since the goal itself is often a product of the course of the research project. For the financing, however, of developmental activities where the theoretical capability is already known, the contract is the superior instrument to the grant in aid. In fact, as the House Select Committee on Government Research has pointed out, the grant mechanism is already in need of being rescued from the morass of administrative detail in which it appears to be drowning, and should be restored to its intended function as a valuable research instrument. The broader and more critical use of research contracts by the PHS for financing developmental and applied research activities will preserve the important distinctions between the grant and the contract and their respective roles as instruments for Federal support of research.

THE IMPORTANCE OF ACCESS TO THE RESEARCH CAPABILITY OF PRIVATE INDUSTRY

The most effective conduct of these developmental efforts also requires the Public Health Service to draw upon new kinds of engineering and scientific talents of the type often found in industrial firms. As developmental opportunities evolve, the PHS will need to draw heavily upon the kind of technical capability industry has brought to bear in other fields, such as the aerospace and defense-related programs. A special inter-agency committee, chaired by Mr. Arthur Barber, Deputy Assistant Secretary of Defense for Arms Control, has already been looking into the possibilities of utilizing in other fields of Government interest the industrial research and development capabilities expected to become excess to Defense Department needs. The PHS has reviewed developmental research needs in the health area and has identified several projects which might utilize such capabilities, including such projects as development of artificial hearts, automated clinical laboratory systems, and the development of special facilities for use in hazardous work on viruses. Fruitful collaboration with the pharmaceutical industry is already being carried out in several fields related to cancer research. Since it is the considered policy of the Department of Health, Education, and Welfare, based on past experience, that contracts are the most desirable means of financing research activities in profit organizations, further PHS exploitation of industrial capabilities in health-related will require use of adequate research contract authority.

Contracts are also of increasing importance in the procurement of highly specialized substances, not ordinarily available in the open market, which are essential for the conduct of certain types of research and development activities. Such substances, which include viral reagents and chemicals synthesized to very specific standards, can be efficiently developed and produced through a contract, thereby freeing individual investigators from the laborious process of producing these substances in minute quantities for use in their own projects. Contracts are also the best means for procuring the data processing serv-

ices that have become an integral part of many research and development programs.

THE IMPORTANCE OF CONTRACTS IN THE RESEARCH PROGRAMS OF OTHER FEDERAL AGENCIES

The effectiveness of contracts in financing developmental and applied research activities can be illustrated by the extensive use of R. & D. contracts by other Federal research supporting agencies. Attachment A shows the extent to which other agencies use R. & D. contracts in that portion of their programs that represents health-related research. These agencies also have access to grant authority for the support of basic research (under Public Law 85-934), but the attachment shows that the program managers involved have made widespread use of contracts in carrying out the developmental and applied research missions of their agency. The importance of the health-related research supported by the PHS has been recognized by the Congress in the form of greatly increased appropriations over the past 15 years. In order to provide the directors of these programs with the flexibility necessary for the most effective utilization of these public funds, it is important to give them access to the type of contract authority that has proven so useful in the conduct of other Federal research programs.

PRESENT SOURCE OF PHS CONTRACT AUTHORITY

The Public Health Service Act as it now stands does not provide authority for the making of research contracts in the conduct of the Service's research programs. The research contract authority utilized by the Public Health Service is based on point-of-order language which appears annually in the appropriation statute. In order to take advantage of the opportunities presently existing for productive developmental and applied research programs, the PHS needs to have permanent research contract authority, which is adequate for the achievement of important health goals. In addition to basic authority to enter into research contracts, the PHS needs access to certain types of contract authority presently available to the Department of Defense in title 10 of the United States Code.

The first of these authorities would permit payment of the costs of construction determined to be necessary in the performance of a research contract. Some research contracts require highly specialized facilities as an integral part of the research program. A current example is the special protective facilities required for continued work with dangerous and infectious agents encountered in the important research effort investigating the cancer-virus relationship. Without such authority, these research contracts must be administered within restrictions based on superficial distinctions between temporary and permanent improvements. These artificial distinctions result in the expenditure of additional money with no productive effect on the performance of the contract.

The second authority would provide for the indemnification of contractors against claims which arise out of direct performance of the contract and which are the result of a risk which the contract defines as unusually hazardous. This type of contract provision is often required if a contractor is to be induced to undertake work which involves the handling of live viruses or the exposure to poisonous compounds.

Given these authorities, the Public Health Service will be in a position to make the choice of financing mechanism grow out of the program decision instead of being forced, through limitations in authority, to distort the program to fit the available mechanism. In the absence of adequate contract authority, the use by the PHS of the extensive research capabilities of private industry in the field of medical research, will be virtually denied.

ATTACHMENT A.—Federal contract support for medical and health-related research, 1964 and 1965

[In thousands]

Agency	Obligations for research contracts			
	1964		1965	
	Amount	Percent of agency support for extramural research	Amount	Percent of agency support for extramural research
Total	\$177,303	22.8	\$210,943	24.4
Atomic Energy Commission	72,157	100.0	79,618	100.0
National Space and Aeronautics Administration	23,700	69.7	42,800	78.4
National Science Foundation	10	0	907	97.6
Veterans' Administration	1,050	96.1	3,264	32.1
Department of Agriculture	358	5.6	27,209	91.9
Department of Defense	29,167	92.3	56,440	8.5
Department of Health, Education, and Welfare	50,298	8.3	(55,612)	(7.6)
Public Health Service	(49,441)	(8.5)	(45,006)	(7.6)
National Institutes of Health	(41,845)	(7.7)	255	100.0
Department of Interior	224	100.0	450	100.0
Department of State	339	100.0		

Source: National Institutes of Health 1964 survey of Federal agencies on obligations for medical and health-related research and development.

Public Health Service funds for negotiated contracts,¹ all programs

[In thousands of dollars]

Public Health Service operating bureaus	Actual, fiscal year 1964	Estimated, fiscal year 1965	President's budget, fiscal year 1966
Bureau of State Services:			
Community health	5,611	11,895	21,189
Environmental health	4,624	6,263	9,028
National Institutes of Health	46,259	60,090	63,398
National Center for Health Statistics	390	362	541
National Library of Medicine	635	756	976
Public Health Service total	57,419	79,366	94,132

¹ Negotiated contracts are used for the procurement of property and services outside formal advertised bidding. Such negotiation is authorized under the circumstances enumerated in sec. 302(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251-260).

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment to the committee substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 7, strike all of line 16 through 23 and on page 8, strike all of lines 1 through 23.

Mr. GROSS. Mr. Chairman, the amendment is quite simple. It would strike out all the language in the bill pertaining to the addition of three additional Assistant Secretaries in the Department of Health, Education, and Welfare.

I will say that there is nothing at all modest in the asking on the part of this Department, when it comes to expanding its particular bureaucracy.

As the gentleman from Illinois [Mr. SPRINGER] suggested, it is unusual that they would ask for this number at one time.

The gentleman from Illinois also seems to argue that these three Assistant Secretaries are necessary for the purpose of keeping up with the Joneses. In other

words, he cites the number of Assistant Secretaries in other Departments of Government and makes a point that there are fewer in the Department of Health, Education, and Welfare.

There are others who seem to want to justify this increase as a matter of prestige and status.

The gentleman from Arkansas [Mr. HARRIS] suggested, and I believe this is a hope with him that the adding of three Assistant Secretaries might make it possible to put some restrictions upon some of the programs of this Department which are expanding and proliferating all over the map.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Arkansas.

Mr. HARRIS. Certainly I would share the gentleman's views as expressed with reference to the hope about the extent of these programs. I should like to emphasize the fact that since Congress has expanded the operation of this agency tremendously over the past 12 years, what I am trying to do is to give them the tools with which to work.

Mr. GROSS. I would say to the gentleman that they have been doing a pretty good job of getting rid of a lot of money with the tools they have. When I say "good" I do not mean it in the sense of approbation. They have been doing a job getting rid of a lot of money with the present Assistant Secretaries they have.

The gentleman from Missouri made a point a few moments ago in his colloquy with the gentleman from Arkansas that they have a number of commissioners in this Department, perhaps more than any other department of Government. They are directing geniuses of the status of Assistant Secretaries.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Ohio.

Mrs. BOLTON. I am interested in this, because I believe it has been evident to those of us who have had direct contact with the work of this Department

that they have been very overburdened. A man who is a good Assistant Secretary of Health will not necessarily be a good Assistant Secretary of Welfare or Assistant Secretary of Education. The three things are quite different.

I believe it is high time for us to give help to that Department. I have not studied the amounts of money involved, but I do know that many times when there is not sufficient watchfulness possible from the top a lot of money is extravagantly spent. I have not felt this was the case in that Department. The gentleman always knows more than I do on this subject, so I do not raise a question about it. I suggest that the work is in three different areas of life, and I believe should be headed up by three different kinds of men.

Mr. GROSS. That would be fine, if the test of an assistant secretary, among other things, was cutting down on extravagance, waste, and inefficiency. But the further we go into this Government of ours, with more assistant secretaries, deputy assistant secretaries, and assistants to the deputies and all that sort of thing, the further we go to more waste and inefficiency, and the bigger the payroll becomes. It does not follow, and it has not followed in the past, that merely by adding assistant secretaries in the State Department or anywhere else in this Government has there been any accomplishment with respect to the stopping of waste and extravagance, and in some cases corruption.

Mrs. BOLTON. That is probably so in respect to many departments, but they are not set up in the way the Department of Health, Education, and Welfare is set up. It never should have been one department, anyway. To me it is a very important and timely that we should have the divisions made.

Of course, there should be integrity in every department. Heaven knows there is not, but it would be very good.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, all I am trying to say is that it is proposed here today to establish three Assistant Secretaries in the Department of Health, Education, and Welfare, in other words a 100-percent increase in the list of such secretarial appointments at \$27,000 a year plus all of the camp followers that go with each Assistant Secretary. I have heard no estimate made today as to what it will cost for the retinue of employees that go with each of these individuals. I do not know whether a Cadillac will go with each Assistant Secretary. But at any rate you are adding another chain of expense and adding to the bureaucracy by increasing the number of Assistant Secretaries. I am opposed to this portion of the bill because I do not think that this Government and the taxpayers are in any position today to be financing an added bureaucracy.

Mr. Chairman, we hear wails on the House floor bemoaning the growth of the bureaucracy in Government. It will be interesting to note the vote by which it is proposed to increase by 100 percent the number of Assistant Secretaries in this one Department.

I urge the adoption of my amendment. Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

First, I would certainly like to congratulate the gentlewoman from Ohio [Mrs. Bolton], for the points she made. I thought they were very well taken.

In reply to the gentleman from Iowa, I would point out that this Department handles more money and supervises more programs than any other Department of the Government with the exception of the Department of Defense and that their top-level staff is far less than that of any other Department in the Government. Let me explain this if I might. When this all started in 1953 the agency received appropriations of \$1.9 billion. Its budget for this coming year will be around \$10 billion, because of actions by the Congress. They did not do it. We did. The Secretary made this very pertinent statement as one of the main reasons for asking for this legislation. He said:

If the legislation affecting the social security program goes into effect, this Department will then be responsible for trust funds and expenditures to the extent of \$30 billion a year.

We are adding different burdens to the Department all the time. If you will look at the number of Assistant Secretaries they have there, you will see it is much smaller than other Departments, and yet the programs of the Department affect every American's life. It is because we did it and it is not because of their asking for it.

Mr. GROSS. Mr. Chairman, will the gentleman yield for a correction?

Mr. STAGGERS. I will be glad to yield.

Mr. GROSS. I wish the gentleman would change his reference to the personal pronoun and exempt me from his inference that "we did this and we did that."

Mr. STAGGERS. I have to lump the gentleman from Iowa with the Congress, because he is a Member of Congress. Congress did it, and I speak of "we" as the Congress. Whether we are in opposition or not, it is always the majority that rules.

Mr. GROSS. Will the gentleman yield further?

Mr. STAGGERS. Surely.

Mr. GROSS. If we could get the kind of a setup over there that would put a stop to such business as studies of human behavior at cocktail parties and a study of the intrapersonal relationship of a husband and wife and that kind of drivel, I might be persuaded to go along with you for one assistant secretary. I cannot go along with three. Does not the gentleman agree they are able now, with the staff that they have, in the Department of Health, Education, and Welfare, to get rid of an enormous amount of money every year?

Mr. STAGGERS. In order to answer that question, you know that I would have to rephrase it.

Mr. GROSS. The gentleman would have to agree, would he not?

Mr. STAGGERS. Of course, but I would have to explain why. It is because we are the ones that forced those duties on them and increased their responsibilities almost ninefold without giving them the tools to do it. Yet we expect them to do a good job. If we do that, we must give them the personnel and the men with responsibility in order to hold them responsible. Let me read you what the Secretary said in regard to this:

I have to keep staff working 12 to 14 hours a day, 6 to 7 days a week, day in and day out. I don't think that that is good management, particularly during the legislative sessions, which are long sessions.

That is one reason for it. As the chairman said a moment ago, we have set up a special committee in our Committee on Interstate and Foreign Commerce to study this Department.

Under the able leadership of the gentleman from Florida a thorough study will be made and if some of these things are not right—and since these matters are all handled by human beings and, like the gentleman and myself, they are not perfect—I am sure they will try to iron out any difficulties. I have been trying to explain why the Department needs these, and to my mind they do need them. That is why I am opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the committee as printed in the report of the bill.

The committee substitute amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having assumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 2984) to amend the Public Health Service Act provisions for construction of health research facilities by extending the expiration date thereof and providing increased support for the program, to authorize additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes, pursuant to House Resolution 355, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 333, nays 4, not voting 96, as follows:

[Roll No. 99]

YEAS—333

Abbutt	Dowdy	Johnson, Okla.
Abernethy	Downing	Johnson, Pa.
Adair	Dulski	Jonas
Adams	Duncan, Oreg.	Jones, Ala.
Addabbo	Duncan, Tenn.	Jones, Mo.
Albert	Dyal	Karsten
Anderson, Ill.	Edmondson	Karth
Anderson, Tenn.	Erlendson	Kastenmeier
Andrews	Evans, Colo.	Kee
Glenn	Everett	Keith
Andrews, N. Dak.	Evins, Tenn.	Kelly
Arends	Fallon	Keogh
Ashbrook	Farbstein	King, Calif.
Ashmore	Farnsley	King, N.Y.
Aspinall	Farnum	King, Utah
Baldwin	Fascell	Kirwan
Bandstra	Feighan	Kluczynski
Baring	Findley	Kornegay
Bates	Fisher	Krebs
Beckworth	Flood	Kunkel
Belcher	Flynt	Langen
Bell	Foley	Latta
Bennett	Ford, Gerald R.	Leggett
Betts	Ford	Lipscomb
Blatnik	William D.	Long, La.
Boggs	Fountain	Long, Md.
Bolton	Frellinghuysen	Love
Bonner	Friedel	McClory
Bow	Fulton, Pa.	McCulloch
Bray	Fulton, Tenn.	McDade
Brock	Fuqua	McEwen
Broomfield	Gallagher	McFall
Brown, Ohio	Garmatz	McGrath
Broyhill, Va.	Gathings	McMillan
Burke	Gettys	McVicker
Burleson	Gibbons	MacGregor
Burton, Calif.	Gilbert	Machen
Burton, Utah	Gonzalez	Mackay
Byrne, Pa.	Goodell	Madden
Byrnes, Wis.	Gray	Mahon
Cabell	Green, Pa.	Marsh
Callan	Greig	Martin, Ala.
Callaway	Grider	Martin, Mass.
Cameron	Griffin	Martin, Nebr.
Carter	Griffiths	Matsunaga
Cederberg	Grover	Matthews
Chamberlain	Gurney	May
Clancy	Hagan, Ga.	Meeds
Clark	Hagen, Calif.	Michel
Clausen	Haley	Mills
Don H.	Hall	Mink
Cleveland	Halleck	Mize
Clevenger	Hanley	Moeller
Cohelan	Hansen, Idaho	Moore
Collier	Hansen, Iowa	Moorhead
Colmer	Hardy	Morris
Conable	Harris	Morrison
Conte	Harsha	Morse
Cooley	Harvey, Ind.	Moss
Corbett	Harvey, Mich.	Murphy, Ill.
Corman	Hathaway	Murphy, N.Y.
Craley	Hawkins	Murray
Culver	Hays	Natcher
Cunningham	Hébert	Nedzi
Curtis	Hechler	Nelsen
Daddario	Helstoski	O'Brien
Dague	Henderson	O'Hara, Ill.
Davis, Ga.	Herlong	O'Hara, Mich.
Dawson	Hicks	O'Konski
de la Garza	Hollifield	Olsen, Mont.
Delaney	Horton	Olsen, Minn.
Denton	Hosmer	O'Neal, Ga.
Derwinski	Howard	Ottinger
Devine	Hull	Patten
Dickinson	Hungate	Pelly
Diggs	Huot	Pepper
Dingell	Hutchinson	Perkins
Dole	Ichord	Philbin
Donohue	Irwin	Pickle
Dorn	Jacobs	Pike
Dow	Jarman	Pirnie
	Joelson	Poage
	Johnson, Calif.	Poff

Pool	Schisler	Thomson, Wis.
Price	Schmidhauser	Trimble
Pucinski	Schneebell	Tuck
Quile	Schweiker	Tunney
Race	Scott	Tupper
Randall	Secrest	Tuten
Redlin	Selden	Udall
Reid, Ill.	Senner	Ullman
Reinecke	Sickles	Van Deerlin
Reuss	Sikes	Vigorito
Rhodes, Ariz.	Sisk	Vivian
Rhodes, Pa.	Skubitz	Walker, N. Mex.
Rivers, Alaska	Slack	Watts
Rivers, S.C.	Smith, Calif.	Weitner
Roberts	Smith, Iowa	Whalley
Rogers, Colo.	Smith, N.Y.	White, Tex.
Rogers, Fla.	Smith, Va.	Whitener
Rogers, Tex.	Springer	Whitten
Ronan	Stafford	Willis
Roncalio	Staggers	Wilson, Bob
Rooney, N.Y.	Stalbaum	Wilson
Rooney, Pa.	Stanton	Charles H.
Rosenthal	Steed	Wolf
Rostenkowski	Stratton	Wyatt
Roudebush	Stubblefield	Wydler
Roush	Taylor	Yates
Roybal	Teague, Calif.	Young
Rumsfeld	Teague, Tex.	Younger
Ryan	Tenzer	Zablocki
Satterfield	Thomas	
Scheuer	Thompson, Tex.	

NAYS—4

Gross	Waggonner	Walker, Miss.
Utt		

NOT VOTING—96

Andrews	Fino	Nix
George W.	Fogarty	O'Neill, Mass.
Annunzio	Fraser	Passman
Ashley	Gialmo	Patman
Ayres	Gilligan	Powell
Barrett	Grabowski	Purcell
Battin	Green, Oreg.	Quillen
Berry	Gubser	Reid, N.Y.
Bingham	Halpern	Reifel
Boland	Hamilton	Resnick
Bolling	Hanna	Robison
Brademas	Hansen, Wash.	Rodino
Brooks	Holland	Roosevelt
Brown, Calif.	Jennings	St Germain
Broyhill, N.C.	Laird	St. Onge
Buchanan	Landrum	Saylor
Cahill	Lennon	Shipley
Carey	Lindsay	Shriver
Casey	McCarthy	Stephens
Celler	McDowell	Sullivan
Chelf	Macdonald	Sweeney
Clawson, Del.	Mackie	Talcott
Conyers	Mailliard	Thompson, La.
Cramer	Mathias	Thompson, N.J.
Curtin	Miller	Todd
Daniels	Minish	Toll
Davis, Wis.	Minshall	Vanik
Dent	Monagan	Watkins
Dwyer	Morgan	White, Idaho
Edwards, Ala.	Morton	Widnall
Edwards, Calif.	Mosher	Williams
Ellsworth	Multer	Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. Fogarty with Mr. Laird.
Mr. O'Neill of Massachusetts with Mr. Widnall.
Mr. Multer with Mr. Minshall.
Mr. Dent with Mr. Ellsworth.
Mr. Jennings with Mr. Ayres.
Mr. Lennon with Mr. Broyhill of North Carolina.
Mr. St. Onge with Mr. Saylor.
Mr. Shipley with Mr. Mosher.
Mrs. Sullivan with Mr. Cahill.
Mr. Toll with Mr. Lindsay.
Mr. Gialmo with Mr. Mailliard.
Mr. Daniels with Mrs. Dwyer.
Mr. Brooks with Mr. Cramer.
Mr. Rodino with Mr. Halpern.
Mr. Roosevelt with Mr. Reid of New York.
Mr. Wright with Mr. Shriver.
Mr. Annunzio with Mr. Watkins.
Mr. Landrum with Mr. Berry.
Mr. Celler with Mr. Robison.
Mr. Macdonald with Mr. Del Clawson.
Mr. Carey with Mr. Fino.
Mr. White of Idaho with Mr. Quillen.
Mr. Morgan with Mr. Gubser.
Mr. Minish with Mr. Battin.
Mr. Monagan with Mr. Morton.
Mrs. Green of Oregon with Mr. Talcott.

Mr. Casey with Mr. Whalley.
Mr. Brademas with Mr. Reifel.
Mr. Barrett with Mr. Mathias.
Mr. Miller with Mr. Edwards of Alabama.
Mr. Thompson of New Jersey with Mr. Davis of Wisconsin.
Mr. Nix with Mr. Curtin.
Mr. Thompson of Louisiana with Mr. Buchanan.

Mr. St Germain with Mr. Holland.
Mr. Andrews of Alabama with Mr. Ashley.
Mr. Hanna with Mr. Powell.
Mr. McDowell with Mr. Sweeney.
Mr. Vanik with Mr. Williams.
Mr. Chelf with Mr. Edwards of California.
Mr. Grabowski with Mr. Brown of California.
Mr. Todd with Mr. McCarthy.
Mr. Bingham with Mr. Conyers.
Mr. Boland with Mr. Mackie.
Mr. Patman with Mr. Stephens.
Mr. Hassman with Mr. Gilligan.
Mr. Fraser with Mr. Hamilton.
Mr. Purcell with Mrs. Hansen of Washington.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members who may desire to do so may extend their remarks in the RECORD at an appropriate place, on the bill just passed.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERSONAL EXPLANATION

Mr. VIGORITO. Mr. Speaker, on rollcall No. 96 I was absent from the floor because of urgent business affecting my district. Had I been present I would have voted "aye."

RUMANIAN INDEPENDENCE: A COMMEMORATION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCORMACK. Mr. Speaker, today, May 10, 1965, we commemorate the anniversary of Rumanian independence.

Americans derive a special pleasure in paying tribute to other people in the world who have succeeded in asserting their own right of self-determination. This has always been the case, ever since we had won our own independence. During the 19th century Americans were the evangelists of self-determination and constitutional democracy. Official documents of our Government, either in the form of congressional debates, of official State Department dispatches, or of proclamations and statements by the President, all reflect this profound national tradition that is deeply ingrained in our national attitudes.

It is not strange, therefore, that we in this Chamber should set aside our legislative duties for a few moments and pay our respects to this great nation and great people, the Rumanians.

Today it is even more urgent for us to commemorate Rumanian independence, because one of the central themes of Communist propaganda, a theme that they use unceasingly to attack the United States and its allies, is the charge of imperialism. According to the Communists, American democracy is the tyranny of the modern age. It is we who are held up to the world as the imperialist aggressors who seek to destroy the liberties of all people in the world.

By commemorating the independence of Rumania and all other countries who have been conquered by the Communists we are able to mount a counterattack against this fallacious charge.

It is communism and not democracy that is the plague of the modern age.

Communism is the enslaver of mankind, and democracy the greatest political force for the liberty and well-being of man.

Rumanians had no free choice in the government that was to rule them. Communists came to Rumania in the wake of the conquering Red army. Free elections were never held. Communist political power was imposed by force and terror. Rumania stands as one of the classic examples of the destruction of human liberty by communism. It is now a bitter reminder to us of what can happen in South Vietnam if American resolve is weakened.

Communism has conquered Rumania, but the hope of all is in the historic possibility that Rumanians may themselves conquer communism. This may not come in the form of any sudden revolution that itself could endanger the peace of Europe. But there is a real possibility that through the erosion of communism, the reassertion of traditional national Rumanian values, and the continuing orientation of its political and economic interests toward the West, the Rumanian people may consume the tyrant and the tyranny that have oppressed them since 1945. Great changes have taken place in Rumania and in Rumania's attitude toward the West in the past few years. This development may be but the beginning of a long evolving trend toward a Western alinement.

This is our hope; this is our expectation.

Whether it will come to pass is a matter of future history. But we do know that the assertion of Rumanian independence, as we have observed in the past few years, however limited it is in range, nonetheless, detracts from the total power assets of the Soviet Union and thus is a development that coincides with American interests as well as those of the Rumanian people.

In the final analysis our great hope is for a free and independent Rumania. Perhaps in the unfolding of future history we may be able to commemorate May 10 not only as the day of Rumanian independence from the Turks but also commemorate it as a day of independence from communism.

IMMIGRATION HEARINGS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, hearings on pending immigration legislation, which were scheduled to resume on May 12, are now postponed to a later date, to be announced as soon as circumstances permit.

The postponement results from the fact the full Judiciary Committee has not completed action on the voting rights bill and the likelihood that the balance of the week and possibly longer will be required to complete that action.

I include at this point a letter from Congressman EMANUEL CELLER, chairman of the Judiciary Committee, together with my answer thereto, both of which are self-explanatory.

MAY 7, 1965.

HON. EMANUEL CELLER,
Chairman, Committee on the Judiciary,
House of Representatives, Rayburn House
Office Building.

DEAR COLLEAGUE: This will acknowledge receipt of your letter of today's date suggesting that I postpone the public hearings on proposed changes in the Immigration and Nationality Act, scheduled to resume on May 12, until a final vote has been taken by the full committee on the pending voting rights bill.

I am making arrangements for a postponement of immigration hearings and will announce the postponement so that all interested parties may be advised.

As you know, I have cooperated fully in meeting the schedule set for full committee hearings and vote on both the Presidential Inability bill and the voting rights bill, by postponing prior hearings scheduled by Subcommittee 1 on pending immigration legislation. There is no question about the immediate importance of action on that legislation, but I am sure you are aware that there has been misunderstandings about the reasons for delay in completing our immigration hearings. As matters now stand, some 20-odd national organizations in addition to interested individuals have made written requests to be heard on proposed changes in the immigration law.

It is my desire to conclude our immigration hearings as soon as possible by continuous hearings and to that end I will plan to resume our hearings immediately after final action has been taken by the full committee on the voting rights bill.

Sincerely,

MICHAEL A. FEIGHAN,
Chairman.

MAY 7, 1965.

HON. MICHAEL A. FEIGHAN,
Chairman, Subcommittee No. 1, Committee
on the Judiciary, House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: In view of the importance of the voting rights legislation now before us and which the committee has been considering in full committee for a number of days, may I suggest that you postpone your public hearing on the proposed changes in the Immigration and Nationality Act until final vote on the pending Voting Rights Act of 1965 has been taken by the full committee.

Sincerely yours,

EMANUEL CELLER, Chairman.

GOVERNMENTAL INTRUSION INTO A CITIZEN'S RIGHT TO PRIVACY

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HUNGATE. Mr. Speaker, I would like to share with my colleagues an editorial which appeared in the Vandalia Leader, Vandalia, Mo., under the authorship of Weldon H. Steiner. It relates to the invasion of the right of privacy through snooping and wiretapping.

I want to join with Mr. Steiner and Senator LONG and my fellow Representative from Missouri [Mr. HALL] in their concern about this threat of governmental intrusion into a citizen's right of privacy.

The editorial referred to follows:

[From the Vandalia (Mo.) Leader,
Mar. 18, 1965]

EAVESDROPPING

Missouri's Senator ED LONG opened hearings last month on the controversial subject of Government eavesdropping. One of the days was devoted to the demonstrations of electronic devices that are available and currently in use for Federal agency snooping.

This display of devices was amazing and seemed to bring out the fact that nothing is private any more. Such things as olives in martini glasses, devices in packs of cigarettes, tiny concealed tape recorders. Reading the list of devices being used one came up with the conclusion that to maintain a tight lip at all times is the only assurance of security. This might not even be safe in the future. It wouldn't surprise the average U.S. citizen to learn of a device to determine what one is thinking.

Senator LONG's committee hearings indicated that many of these devices are purchased by the nonsecurity Federal agencies. The committee stated that it is recognized that the interest of criminal justice and our country's safety from foreign enemies must be maintained by the Federal officials who have the responsibilities. But, at the same time, the right to privacy that Americans have always guarded and cherished must be preserved against the threat of increasingly clever techniques of electronic snooping.

We couldn't agree more wholeheartedly.

CENTENNIAL OF THE FOUNDING OF ONE OF AMERICA'S OUTSTANDING PREPARATORY SCHOOLS

Mr. MARSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MARSH. Mr. Speaker, Saturday, May 8, marked the centennial of the founding of one of America's outstanding preparatory schools. I refer to Augusta Military Academy located at Fort Defiance in Augusta County near Staunton, Va. This school for young men, that seeks not only to provide formal preparatory education, but also seeks to build character and attain physical excellence, is well known throughout the

Commonwealth of Virginia and America for its outstanding program of military instruction.

AMA, as it is known to the student body, area citizens, and graduates, has attained this reputation for excellence through the achievements of its alumni, its educational curriculums, the qualifications of its faculty, and the continuous leadership by its administration.

The history of Augusta Military Academy is part and parcel of the post-Civil War history of the South. It was founded in 1865 by a young veteran of the Confederate Army, Charles S. Roller, who, viewing the devastation of his native State and the Valley of Virginia that was his home, saw the need in the South for the establishment of educational facilities that had been destroyed by 4 hard, grinding years of war. The predecessor institution of Augusta Military Academy, a day school founded in 1742 by the Reverend John Craig, was burned to the ground by General Seigel of the northern army in this campaign through the valley.

It is a tribute to the leadership and ability of Charles S. Roller that Augusta Military Academy was able not only to survive but flourish and grow in the Reconstruction era.

The responsibility for the administration passed on the death of the founder to his two sons, Col. Thomas J. Roller and Maj. Charles S. Roller, Jr., who became better known as Major General Roller. The recent passing of Major General Roller was mourned not only at Augusta Military Academy, but throughout the State of Virginia; however, on his death, the school would remain a family school, inasmuch as the administration was vested in a family trusteeship including the widow of General Roller, Col. M. H. Livick, now principal, and Mrs. Livick, the form of management which continues today.

It is a privilege for me to pay tribute to the 100 years of public service by AMA, but the finest testimony to the contributions of Augusta Military Academy in the development of character and scholarship is to be found in the dedicated service of its alumni in leadership assignments in the Armed Forces of the United States during our Nation's wars as well as in countless fields of civilian endeavor.

THREAT OF NATIONWIDE BOYCOTT OF JAPANESE GOODS

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I am informed that the Congress of American Fishermen is organizing a nationwide boycott of Japanese goods. The date-line set for picketing of Japanese ships and U.S. merchants who carry Japanese goods for sale is June 1, or as soon as the Japanese fishing fleet begins netting American runs of Pacific red salmon on

the high seas. This protest campaign is scheduled to break out, I am told, throughout the Nation, and signs such as "No Jap goods sold in this store" are already being printed, as well as bumper strips, and so forth, to incite public reaction against the unwillingness of the Japanese to cooperate with the United States in fishery conservation in the North Pacific Ocean.

Mr. Speaker, ever since World War II, I have sought the upbuilding of trade with Japan and have been gratified at the ever-growing exchange of goods between our two nations. I have nothing against Japan and want to see our trade grow, so it is with deep regret that I find, like a smoldering volcano, an eruption of ill will, economic harm, and bad feeling is in the making.

How serious this boycott could be, I doubt if anyone knows, but it appears that organized labor may well follow its tradition and support our fishermen and their various affiliated unions. This could tie up every Japanese vessel that comes into port and all Japanese imports that cross our docks.

The worst part of the boycott is that ill will and prejudice generated today cannot be shut off like an electric switch. The ill will and hurt will go on long after any settlement. Unfortunately, too, the wounds of Pearl Harbor will be opened anew and our two peoples will renew old hates.

So, as I say, I hope this boycott does not get started; but at the same time, if it does start, I intend to support our fishermen in every way possible. Ten years ago, Japan agreed by treaty to protect American red salmon on the high seas, and I, for one, will not stand quietly by and see the Japanese abdicate this position and destroy the runs of fish made possible by our fishermen through sacrifice for the sake of conservation.

The time is short, and I hope and pray that our Government can dissuade the Japanese from causing a trade war that will hurt both sides, and which both sides will regret.

"WORLD'S GREATEST COLLEGE WEEKEND"

Mr. BRAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRAY. Mr. Speaker, the "World's Greatest College Weekend" again has been celebrated on the Indiana University campus.

Springtime on Indiana campuses always is inspiring. The wholesome youth in our great Indiana colleges give hope in the future of our country.

Indiana University's "Little 500" is based on the great Hoosier 500-Mile Memorial Day Auto Race. It was commenced several years ago by Howdy Wilcox, who at that time was director of the Indiana University Foundation and who now is a member of the board of trustees of the university and general

manager of the Arizona Republic and Phoenix Gazette. This colorful weekend not only includes tests of athletic prowess in the men's bicycle races and the coed's tricycle races, but adds color, pageantry, artistry, pulchritude, and the sheer effervescence of youth to an unforgettable weekend. The proceeds of the "Little 500" weekends have provided for almost 2,000 scholarships.

I am happy to say that the students on the campuses of the colleges of Indiana look quite different from the 17,000 "students" who demonstrated in Washington recently carrying signs attacking their country. I also am proud that as yet students on the campuses in Indiana have not emulated the students and faculty members in some eastern colleges, who sent a cablegram to Ho Chi Minh saying, in part, "You have our respect and sympathy." Nor have our students followed the lead of a group of students in a mid-western college who sent money to the "National Liberation Front" (the Vietcong). Neither have our students made a public demonstration of burning their draft cards in a bonfire, as occurred in a western university.

I still am proud of the youth of America despite the actions of some. We should not allow the actions of those few to cause us to lose faith in the future of America, which of course depends upon the youth of today.

In every generation there are some who are misfits. Some are guilty of treason. There are many more who are misguided, and in a frenzy of idealism lose perspective in viewing their own country.

Despite the extremism of a small fraction, the great majority of our youth are ready and willing to support their country and to defend freedom.

ARMED FORCES WEEK

Mr. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, at a multi-service dinner at the Sheraton Park Hotel in this city, last Friday evening, the Navy League, the Air Force Association, and the Association of the U.S. Army, "kicked off" our Armed Forces Week, which this Nation reverently and pensively celebrates in honor of those who dedicate their service, their lives, and their youth to the freedom of this Nation and other responsible nations who seek our help.

Gen. Harold K. Johnson, Chief of Staff of the U.S. Army, led off the three major uniformed military services, as greetings were sent to the servicemen and women around the world.

Predicated upon enhanced communication and increased ease of transportation, the general very wisely sums up the situation of the real world, while remarking that, just as in the case of individuals, nations must be "responsible," if deterrence, conference, and eventual

peace are to hold sway. General Johnson sums it up for the past, present and future by referring to our faith under the fatherhood of God, and the rights of individual peoples to be free. Based on political, geographic, technical and an additional shrinking of the world, requirements have never been greater for dedicated, well-trained talent and for equipment and unit combat readiness around the world.

I commend these remarks by one of our greatest chiefs to the careful consideration of my colleagues:

REMARKS BY GEN. HAROLD K. JOHNSON, CHIEF OF STAFF, U.S. ARMY, AT THE NATIONAL ARMED FORCES DAY DINNER, WASHINGTON, D.C., MAY 7, 1965

This Armed Forces Week finds our Nation and its Armed Forces team in a world that is shrinking: politically, geographically, and technologically. This world generates greater risks for our national security and greater demands on our Army, Navy, and Air Force.

In a political sense the world is shrinking because in many parts of the globe once dormant lands are emerging as restless new nations, anxious to come of age quickly, yet often inadequately equipped to protect themselves against covert or overt aggression. As the number of these nations swells, and so long as the Communist world pursues its avowed objective of communizing the world, there are likely to be more trouble spots where stability must be maintained or restored. Hence we may expect more, rather than fewer, places where freedom is on the line, and the speed with which we can move to the defense of freedom will be of growing importance.

In a geographic sense, the world is shrinking simply because we now calculate movement times in hours rather than days or weeks as they once were, of necessity; and the Army, as a strategic hitchhiker service continues to rely on air and sealfit for the initial deployment of troops and equipment as well as resupply of those troops once we are in the area where the issue will be decided.

In a technological sense the world is shrinking as the fruits of research and development materialize and as ideas and information spread. Our knowledge of physical science is roughly double that which existed in 1950, and the price for failure to stay ahead or at least keep abreast of our adversaries in the scientific area may be measured not in time or dollars, but ultimately in cities and blood.

This shrinking world means for the United States more international involvement as well as more hazards; more military commitments to the defense of freedom, as well as more demands on our economic and military strength. Never before have the requirements been greater for dedicated, high-caliber talent in our Armed Forces, and for equipment and unit combat readiness which have no equal.

This represents the backdrop for the basic purpose of the Army within the defense team. Since June 14, 1775, the basic purpose for the Nation's landpower has not changed. However, the real world in which we must carry out that purpose is changing rapidly. Areas of potential and active turbulence are emerging in different parts of the world to disrupt, in various ways, the climate of order and stability so important to the peaceful adjustment of the changes underway.

Within these conditions of world change, it remains the role of the Army, with generous assistance from our Naval and Air Force comrades in arms, to carry out the landpower missions of the United States so that turbulence is reduced, stability is

preserved or restored, and peace is achieved without destruction of the institutions of society which exist under the rule of law. These landpower missions run all the way from roadbuilding by a battalion of engineers in the hinterland of Thailand, and frontier development in Alaska, through support of counterinsurgency efforts in South Vietnam, to manning the ground defenses against limited or general attacks in NATO Europe. In accomplishing these missions the U.S. Army of over 950,000 men and women has deployed 41 percent of its strength in 101 countries. As the finest Army in our Nation's history, it provides a sound base on which to build for the future.

On this occasion of the Annual Armed Forces Day Dinner, I salute the sons of an earlier day who wore our uniforms and pioneered the way, the sons of today who unflinchingly are defending freedom's ramparts, and the sons of tomorrow who will inherit our mighty defenses, and our faith in the rights of peoples to be free.

Thank you.

THE AVENUE OF UNDERSTANDING

Mr. ICHORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ICHORD. Mr. Speaker, during the past week the communications media has utilized the Early Bird communications satellite in transmitting several programs of the public information variety across the span of the Atlantic Ocean. Those who have witnessed this tremendous innovation in television broadcasting certainly have seen history in the making.

I believe this achievement ranks with the laying of the transatlantic cable or the first transatlantic flight for now it is possible for the peoples of Europe and the United States to better understand each other through live television transmissions. Think of the heretofore unimaginable scope of events that now can be seen as they happen. The areas of politics and world affairs, music and art, and sporting events are but a few among the hundreds of subjects which may now be covered by the television media.

Hopefully, in the near future all nations of the world will be able to enjoy this advancement. I sincerely hope this remarkable feat will serve as the means to making transoceanic broadcasts the avenue of understanding.

All those who participated in this project are to be highly commended and congratulated, for they have made it possible to take a giant step forward in the march toward international understanding.

OUTSIDE MONEY INFLUENCING ELECTIONS

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I am again today introducing a bill which would prohibit campaign contributions from crossing State lines to influence congressional primaries and elections and to influence election for electors of the President. I urge the Congress to conduct hearings and study the whole area of campaign contributions and campaign expenditures. The situation grows steadily worse.

Campaign contributions are sent from one State to another and even from foreign countries to influence elections. I maintain, Mr. Speaker, that the people within a congressional district and the people of a State should elect their Representatives to the Congress of their own free will without the influence of outside money. It is rapidly becoming impossible for citizens to offer for public office until they can first raise fantastic sums of money to finance a campaign. Often these finances come from far away places. Many Americans without personal wealth or financial connections find it impossible to offer for public office. This is making a fraud and a mockery of representative government.

In 1966, congressional elections will be held in every State of the American Union. In my own State of South Carolina, next year there will be campaigns for two seats in the U.S. Senate. To offer for the Senate in most States will cost from a half million to a million dollars. In some States it will cost more than a million dollars to make a statewide campaign. Should this trend continue, representation in Congress would become controlled by pressure groups and those who can raise the most money.

Should congressional races be influenced by huge sums of money pouring across State lines, the people would lose their representation to those who got there "first with the mostest." I urge the Congress to take action before the 1966 elections.

PROBLEMS OF THE HANDICAPPED

Mr. DADDARIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DADDARIO. Mr. Speaker, on May 1, 1965, hundreds of dedicated persons from the 50 States of the Union and from a number of countries abroad, came to Washington for a several days' conference under the sponsorship of the President's Committee on Employment of the Handicapped to discuss the problems of the handicapped, and to discuss ways and means for further progressive and humane activity in their behalf.

At the meeting of May 1, 1965, our distinguished Speaker received from the President's Committee on the Employment of the Handicapped an unusual honor, "Citation for Exceptional Service," and as stated in the citation, "For a lifetime of dedicated service to the handicapped of America; for improving their welfare in the Halls of Congress; for instilling new hope and courage in

their hearts; for his compassion and support of his fellow Americans in need; he has earned the honor of the Nation."

On the occasion of the opening meeting of the conference on May 1, 1965, our distinguished Speaker, Mr. McCORMACK, addressed the immense gathering. I include in my remarks the address made on that occasion by Speaker McCORMACK:

ADDRESS BY SPEAKER McCORMACK AT A CONFERENCE SPONSORED BY THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

Mr. Chairman, I am most appreciative of your recognition today. I accept it both personally and for the entire Congress, for although it bears my name, whatever I was able to do was because the Congress felt the same way.

It has been a rewarding experience to sit on the other end of Pennsylvania Avenue and watch how a dream has come to life and grown into a national program which has benefited so many men and women. I speak of the dream made real by the dogged persuasion of Paul A. Strachan and the gentle persistence of the dedicated Mildred Scott.

When I first talked to Paul about his dream of National Employ the Physically Handicapped Week, he was petitioning and buttonholing every Member of Congress who would listen to him, in the halls, in their offices, in the corridors outside the well of the House and Senate and on the street. With Paul, who could hardly hear a word you said, but who could read your lips remarkably well, except when you said "no," was Miss Scott, who acted as his "ears." Mildred, with her brace and cane, and Paul, with his aggressive insistence, gave life and breath to the American Federation of the Physically Handicapped. Together with the Disabled American Veterans, represented then by Millard Rice, they persisted, and "NEPH Week" was born. This fall we shall mark the 20th anniversary of that legislation and the 21st observance of the week. Their place in history is secure in the hearts and homes of the handicapped who have benefited by public attention focused on their job needs.

Two years after the Congress passed legislation proclaiming "NEPH Week" the President's Committee was born, also due in large measure to Paul Strachan, Bill McCahill and others. In the years that have followed, its first two chairmen, Vice Adm. Ross T. McIntire and Maj. Gen. Melvin J. Maas, have gone to their eternal rewards and are buried with the hero dead of our country at the western end of Constitution Avenue. It was the Navy Doctor McIntire who brought the Marine Reserve General Maas into the position of vice chairman as his successor. It was the Marine general who brought the former Army sergeant, Harold Russell, into the vice chairman position as his successor. The three volunteer chairmen of this President's committee have established a record for leadership and dedication which cannot be matched by any other volunteer group I know anything about.

For no less than 18 years we find Bill McCahill on the combat front of this, one of the noblest endeavors in the whole catalog of national and communal heroism for the handicapped. Colonel McCahill can make the heart work wonders in the field of concrete accomplishment.

It is not only the handicapped who owe those I have mentioned, with so many others, recognition for the efficacy of their workmanship, their talent for dealing with the great and the near-great on behalf of those who face the cold human shoulder in so many places in world society, but it is people like myself who feel immensely indebted to those living, and the memory of those no longer with us.

Legislation, as so many of you know, and executive action, must have besides a philosophy of decency, the working ingredients of soundness and durability. We legislate not only because it is right, but because concomitantly it is workable; it is rugged; it will stand up and hold its place firmly on the statute books of the Nation. What those I am speaking of, your McCahill, your Strachan, your Scott, your Rice, your ever so active Harold Russell, have done that is sensible and worthy, is to take the problem out of the area of merely do-goodism and put it in the area of good business as well. It is no little thing that every year as many as a quarter of a million handicapped placements are made by the public employment services.

This may not fulfill your final goal—and I, for one, hope it does not—but it is a brilliant record that deserves all kinds of applause. It shows that you have brought in sight at least the day when the handicapped-unemployed will cease to be a problem gnawing at the heart and the conscience of a nation that wants to fight every manner of poverty and injustice to which man is heir.

If those of little faith come to me and ask, What do you mean by the Great Society? I have only to point to you, to the National Employ the Physically Handicapped Week, and say: There you see one of the great pillars of that Society.

You can have no idea, as I speak to you now, how immensely proud I am of you and of the image—as they say these days—that people like you give to the portrait of our country. I can never forget some of the efforts I have seen you people, yourselves handicapped, make for the handicapped, for the American Federation of the Physically Handicapped, for the Disabled American Veterans, for your persistence with NEPH Week. Indeed, I remember your first two chairmen after Congress passed the NEPH Week legislation. Vice Adm. Ross T. McIntire was the first, to be followed by Maj. Gen. Melvin J. Maas. Both have since passed to their eternal reward, but not until they had established a remarkable record for leadership and dedication.

I know that there are volunteer groups and volunteer groups. But where, I ask, is there one to match this?

So, in accepting this recognition for my part in helping push forward with your wonderful work, I am happy to review a little bit of history for you and to predict that Harold Russell, a young man for whom I have great personal admiration, with the continued cooperation of Bill McCahill and others, will forcefully build on the foundation of Strachan, Scott, McIntire and Maas.

I predict that 10 years from now our past successes will seem small indeed compared to what will have been accomplished by the time the Nation celebrates the 30th anniversary of the week that is 52 weeks long, the week that lasts the whole year, the week that helps the handicapped to help themselves.

CLOSING OR CONSOLIDATING OF NAVAL SHIPYARDS

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, on November 19, 1964, the Secretary of Defense announced his intention to close or consolidate three naval shipyards.

These were: First, the merger of the Mare Island and San Francisco Naval Shipyards in California, under a single commander, during 1965; second, the closure of New York Naval Shipyard in Brooklyn; and third, the gradual phase-out of the Portsmouth Naval Shipyard, Portsmouth, N.H., prior to 1975.

Because of the possible implications of these actions on our national defense efforts, I am planning to set aside one day during our hearings on the fiscal year 1966 military construction bill to hear all Members of Congress who wish to be heard on the naval shipyard closures. I cannot yet state a firm date.

Those who desire to testify should notify the House Armed Services Committee, extension 4151, by Friday, May 14, 1965. We will be happy to accept statements for the record from those who do not desire to testify in person.

Mr. KEOGH. Mr. Speaker, will the gentleman yield to me?

Mr. RIVERS of South Carolina. I will be glad to yield to the gentleman from New York.

Mr. KEOGH. Mr. Speaker, permit me to commend the gentleman from South Carolina for the statement he has just made. It is the first ray of hope that the long-suffering people of Brooklyn have had in a long, long time.

Mr. RIVERS of South Carolina. I thank the gentleman.

MASS TRANSPORTATION ACT

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FINO] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FINO. Mr. Speaker, today I have introduced legislation to clarify the Mass Transportation Act so that demonstration project funds under that act can be made available for bistate or tristate agency attempts to operate the passenger service of the New Haven or some other railroad.

This bill was prompted by the controversy over whether or not financial aid to a public authority aiding a railroad can qualify for a demonstration grant. My amendment to the Mass Transportation Act would remove any doubt that "new methods of continuing existing mass transportation services" qualify for demonstration project grants. This bill would, besides clarifying dubious language, serve to express congressional sentiments that Mass Transportation Act moneys should be applied to new ways of financially maintaining and restructuring railroad passenger service, as well as to technological experimentation.

In March, I introduced legislation to meet the rail crisis by setting up a Federal authority to subsidize uneconomic passenger service in the Northeast. I regret the fact that it looks like we can hope for only piecemeal solutions to the overall rail crisis, but something is better than nothing. Therefore, I am offering this bill to try and make sure

that Mass Transportation Act demonstration project funds are brought to bear on the New Haven and other railroad crises.

As far as I am concerned, the Congress has a duty to the commuters and other railroad users. It was recently announced by the White House that \$8.7 million is being made available for the improvement of one railroad in Pakistan. The recent Presidential message accompanying the foreign aid report also mentioned our aid to Korean railroads. I am tired of the discrimination against American railroads, both at home and abroad. The hypocrisy behind dollars for foreign railroads and empty gestures and unkept promises for American railroads and commuters is one reason why I am abandoning my 12-year support of foreign aid. We can and should spare millions for American railroads before we subsidize foreign railroads.

LATIN AMERICAN TRADE: A TOTAL HEMISPHERE TRADE STRUCTURE?

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS. Mr. Speaker, the recent proposal for a Latin American common market made by four leading Latin American economists has brought us to the point of decision about the kind of trade relationships we wish to establish with the nations of this hemisphere. Some have endorsed the Latin common market proposal, adding that it should be tied to a broader scheme for hemisphere trade. Certainly, if the United States decides that a formalized Latin-United States trade arrangement is desirable, such an arrangement should include all nations of this hemisphere with the possible exception of Cuba. It must be total hemisphere trade structure created in the context of GATT, open to world trade and dedicated to promoting competition and efficiency in the hemisphere economy.

On April 29 I expressed these and other thoughts in a letter to Senator JOHN SPARKMAN, chairman of the Joint Economic Committee's Subcommittee on Inter-American Economic Relationships, of which I am a member. In my letter I urged that the Inter-American Subcommittee examine thoroughly the proposals for change in hemisphere trade relationships in the context of U.S. hemisphere and world trade goals. I also expressed my conviction that the Executive should take leadership in proposing creative alternatives to the Latin proposals. Clearly the United States is obligated to heed Latin America's calls for change, if only by the special relationship the United States has for over a century claimed with the nations of this hemisphere. The United States cannot, at this turning point in hemisphere economic and political relations, afford to let the initiative drop from its hands.

We must help decide what hemisphere economic system will build the soundest hemisphere relationships, yet at the same time comply with the broader objectives of the United States and with international development.

But I think it necessary to warn that we cannot immediately consider that a special hemisphere trade system can by itself solve the serious economic development problems shared by most Latin nations. I would also caution that it may not be in the interests of world development to freeze the historic economic relationships that exist between European countries and Africa, and North America and Latin America. Let us at least consider removing the present special economic ties between industrial and developing nations, and replacing them with a world trading system in which each developing country's trade problem is considered individually.

In closing I wish to compliment Senator SPARKMAN and the staff of the Joint Economic Committee's Subcommittee on Inter-American Economic Relationships. Senator SPARKMAN has made this subcommittee a respected forum for discussion and deliberation on Latin economic policy. All the members of the subcommittee have benefited from his guidance and from the excellent and thorough work of the staff of the subcommittee.

The text of my letter to Senator SPARKMAN follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 29, 1965.

Hon. JOHN J. SPARKMAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SPARKMAN: The proposal for a Latin American Common Market announced in Mexico City on April 12 has brought into focus a series of developments in Western Hemisphere economic and political relations which have been in process for years. These events concern me deeply as a member of your Subcommittee on Inter-American Economic Relations.

The Latin American Common Market proposal itself is filled with uncertainties—its precise terms are yet unknown. But it deserves the closest study. And, should the proposal be found feasible and in keeping with our national objectives, it should have the unhesitating support of the United States. In this regard I would like to recall Senator JAVITS' comments to the Senate on April 13 and emphasize his concern that a Latin American Common Market should not exclude the United States and Canada, but that Cuba should not be included until political changes take place there.

The purpose of this letter, however, is to express my concern about the relationship of a Latin American Common Market to other world trading groups and to the General Agreement on Tariffs and Trade, and to explore broader problems of hemisphere trade policy. To this end, a brief examination of elements of the current situation is useful.

Latin American nations particularly have been active in formulating the proposals for change in world trading relationships recommended in July 1964, by the United Nations Conference on Trade and Development. Latin proposals were incorporated in the so-called Charter of Alta Gracia, agreed to by the majority of Latin nations last spring and reaffirmed in the fall of 1964 before the Inter-American Economic and Social Council's (IA-ECOSOC) third annual re-

view of the Alliance for Progress at Lima, Peru.

Broadly, the Alta Gracia recommendations call for:

1. Trade preferences for entry of developing nations' manufactured products into industrialized countries.
2. International agreements to stabilize commodity markets and to support prices.
3. Flexible international funds to compensate developing countries for losses from deteriorating terms of trade.
4. Immediate standstill and gradual abolition of all tariff and nontariff barriers on primary exports from developing countries.
5. Progressive reduction of all developed-country subsidies on primary products.
6. Modification of present developed-country agricultural price-support policies.
7. Application of internationally agreed criteria to the disposal of agricultural surpluses.
8. Curbs in the development of new synthetic industries by advanced nations.
9. A plan for giving developing nations a greater share in the growing world shipping business, reduction of freight rates by established maritime nations, and new U.N. machinery to coordinate future cooperation between developing and developed countries in shipping matters.
10. Establishment of domestic insurance and regional reinsurance schemes in the developing nations as a means of reducing invisible charges.

At the Lima IA-ECOSOC conference these preferential proposals were countered by the U.S. delegation, which emphasized that Latin nations must improve their own export promotion efforts and must attempt to diversify exports to sell to wider foreign markets. The problem of trade was, after considerable dispute, referred to the year-old Inter-American Committee on the Alliance for Progress for study and recommendations.

Nonetheless, at the end of the IA-ECOSOC meeting, 19 Latin nations formed a new group to carry on the work they began at Alta Gracia. They established the Special Coordinating Committee for Latin America (CECLA), which will meet before the next IA-ECOSOC Alliance for Progress Review, to be held in Argentina next fall. CECLA's job is to maintain a Latin American "united front" on trade policy.

These developments signaled to U.S. observers at Lima that Latin America would not abandon claims for preferential trade treatment by the United States.

There are significant reasons for this Latin attitude:

1. Latin American nations feel at a disadvantage in world markets when competing with African nations, which have special trading ties to the European Economic Community. Other special trade arrangements, such as those of the British Commonwealth, also exclude Latin America. Thus, in a speech at Philadelphia on April 10, Panamanian Ambassador Ricardo Arias said:

"The consequences of the European policy (of discrimination against Latin America) leads us to believe that Latin American countries, which for geographical and historical reasons share with the United States responsibility for the future of our continent, might well consider it a just aspiration that their exports be given preferential treatment in the U.S. market."

The comment of the U.S. Chamber of Commerce representative to the Lima IA-ECOSOC meeting is also instructive:

"With hopes for an Atlantic Community dimming, Europe toying with restrictions on U.S. investment and refusing to relax its own commercial ties to Africa; Japan competing increasingly for Asian markets, even Latin American buyers eyeing more hungrily the offers of favorable Japanese and European credits, conversations at the Lima confer-

ence turned frequently and seriously to the 'natural' need for a hemispheric trade agreement."

2. While the terms of Latin America's trade with the rest of the world improved by an estimated 2 to 3 percent in 1964, predictions are that in 1965 and succeeding years advance cannot be maintained. Thus Latin pressure for special consideration for its exports in foreign markets will increase.

3. Latin nations claim to be concerned about signs of U.S. protectionism. They cite the imposition of restrictions on beef imports, and President Johnson's unwillingness to consider freeing the U.S. quota system on imports of residual oil. The Latin reaction is to want to secure an assured place for their products in U.S. markets.

4. Obvious progress of the current round of GATT negotiations has been slow, and Latins are impatient. Although GATT members adopted in January 1965 a new "chapter" intended to give greater consideration to less-developed country trade needs, so little "Kennedy Round" progress has been made that Latins are impatient to obtain immediate relief from their trade ills through the new United Nations Trade and Development Board.

Clearly the United States is obligated to head Latin America's calls for change, if only by the special relationship the United States has for over a century claimed with the nations of this hemisphere. The Latin American Common Market proposal should be considered at the highest levels of the Johnson administration in light of the great pressures for change in Latin America. The administration should take this opportunity positively to respond to a proposal by four of Latin America's most respected economists and leaders—not necessarily by accepting the plan outright, but building on it constructively. Under Secretary Mann has shown ability in dealing with Latin American problems. Let us hope that he will lead our Government in a positive, creative response to these issues.

To those in the State Department and Executive Office who will formulate the U.S. response, I suggest that a suitable and positive response to the Latin Common Market proposal would be a total hemisphere trade structure. This could take the form of a free trade area of a common market. But it would incorporate all nations in this hemisphere.

But I do not propose that the United States, Canada and Latin nations immediately abolish all intragroup tariffs. Such a plan is clearly not feasible. Latin nations almost surely would have difficulty competing with the developed economies to their north in such an environment.

In addition, I have serious reservations that geographic barriers, aggravated by lack of postal and telegraphic communication and by inadequate intracontinental transportation, will impede the growth of a true Latin American Common Market. South America is divided naturally into two areas. The northern area, including Venezuela, Colombia and Panama, is separated by the Amazon and its vast tropical riparian areas from the southern area, including Brazil, Uruguay, Argentina, Chile and Peru, Paraguay and Bolivia. The countries of Central America and the Caribbean thus form with northern South America a natural area for commercial exchange, while the southern area remains isolated, a natural unit unto itself.

This wide natural barrier to a true hemisphere common market would seem to be a *prima facie* reason for opposing its formation. Latin nations must overcome this barrier—by developing adequate air, land, and coastal transport. Hopefully the removal of tariff barriers among all Latin nations would create incentives to purchase from each other and would require adequate transportation networks. The development of

the United States as a unified market was not prevented by the existence of the Mississippi River or the Rocky Mountain Range—even in the absence of the Panama Canal gold prospectors found their way to the goldfields of the West, and this demand for transportation led to the development of efficient and relatively quick land and sea transportation.

In addition, it is necessary to warn that a new hemisphere trading relationship will not by itself solve the serious economic development problems shared by most Latin nations. These problems of taxation, social reform, private capital growth and investment, and urban development can only be solved by the increasing efforts of these nations themselves. But we cannot forget the many serious obstacles to Latin economic growth that a Latin American common market or other arrangement cannot hope to easily solve.

I would identify at least the following further conditions for a total hemisphere trading plan:

1. It must be based on an underlying agreement that the plan's purpose would be to promote competition. Greater efficiency, diversification, specialization and economic integration would be its goals.

2. It must be created within the context of GATT. GATT exemption from application from the most-favored nation requirement would be obtained. The United States would not attempt to abandon a multilateral approach to freer trade.

I have spoken in this letter of a Latin American common market and a free trade area almost as if they are interchangeable. Of course, they are not. Common markets and free trade areas are utterly distinct, though each can be modified for use in different circumstances. We must give serious consideration to the relative desirability of these basic multilateral arrangements in the context of Western Hemisphere needs and our GATT obligations.

I wish to end this letter with a reservation to my proposals and with a caveat. It may not be in the interest of world development that we freeze the historic economic relationships that exist between European countries and Africa, North America and Latin America, or those economic relationships that now exist or may develop in Asia. Rather, it may now be in the interests of world development to further economic relations among the world's regions. Let Africa develop better economic relationships with the United States and let Latin America develop better economic relationships with Western Europe. Let us consider removing the present special economic ties between industrial and developing nations, and replacing them with a world trading system in which each developing country's trade problem is considered on individual merit by all countries.

It is time that Congressmen, congressional committees and the Executive study these problems. Certainly it is imperative that the Subcommittee on Inter-American Economic Relations examine them thoroughly, hopefully some time this year. We must help decide what hemisphere economic system will build the soundest Western Hemisphere relationships, yet at the same time comply with the broader objectives of the United States and with international development.

Sincerely,

THOMAS B. CURTIS.

RUMANIAN INDEPENDENCE DAY

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. RUMSFELD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RUMSFELD. Mr. Speaker, today, the 10th of May, marks the 88th anniversary of the traditional national holiday of the Rumanian people who, after centuries of subjugation and oppression by foreign powers, proclaimed their independence on May 10, 1877, which was confirmed by the Congress of Berlin in 1878. For 70 years Rumania prospered as a free nation and enjoyed social, economic, and political progress, but this freedom was short lived—and today the country suffers the fate of other captive Eastern European nations which have become victims of the Communist tyranny.

It is tragic indeed that this anniversary of Rumanian independence cannot be observed openly by the people in Rumania without inviting harsh retribution from their Communist authorities. Those of us who cherish the privileges and responsibilities of freedom share the hopes and confidence of these people for the future independence of their country and express for them their fervent and undying belief in religious and political freedom and in the rights of individuals. We know that as long as there is any suppression of the right of self-determination, the world cannot hope for a secure and durable peace. We assure them that we will not submit to the illusion that the victory of communism is inevitable—on the contrary, we will never forget that freedom is man's birthright and that its survival and triumph are inevitable.

RESIDUAL OIL—BOOMING COAL SALES BELIE CALLS FOR CONTINUED QUOTAS

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, some of our colleagues, driven by understandable regional zeal, have been painting an inaccurate picture of gloom in the coal industry as a reason for continuing restrictions on the importation of residual fuel oil. To listen to them, one would think that coal was battling for its life against desperate odds stacked up against them by residual oil. Such is not the case; coal is making tremendous profits, and its future is sound. Coal interests are big interests and so are the Appalachian States in which big coal is based. These big interests have gained the ear of the Great Society. Harkening to the call of economic and political power, the Great Society is pouring out special favors for Appalachia in the form of a billion-dollar-plus special program of public works just for Appalachia.

On top of this, the masters of the Great Society in March overruled the

Secretary of the Interior and directed that strict controls on residual oil be continued. Although the Secretary himself recognized the injustice of the import restrictions, and acknowledged that they unfairly cost the consumers of New England upwards of \$40 million a year, and had worked out a carefully drawn relaxation of the quota system, on the eve of action, his work was rudely brushed aside from above. The White House again had responded to the siren call of politics represented by the economically powerful and vote-rich region of Appalachia.

What is the truth? The truth is that the big coal interests are prospering mightily and that their prosperity bears little relation to residual oil. Of course, residual oil competes with coal. So does natural gas and so does atomic power in a smaller but growing way.

To substantiate my claim of coal's prosperity, I draw the attention of the House to the May 1 issue of *Forbes* magazine, which follows these remarks. It will be seen from this that coal is meeting its competition in the best American traditions. As a result, which we all applaud, big coal is making big profits and the profits are growing. This article should make it plain that coal needs no special protection from the Federal Government. Also apparent is the gross unfairness to the users of residual fuel in continuing the import stranglehold on this vital commodity.

With Appalachia receiving so much Federal bounty, paid for in part by the taxpayers of New England, and with the coal industry enjoying such great prosperity, it is patently unfair to continue these restrictions.

I hope every Member will have the time to peruse the *Forbes* article:

COAL'S PROGRESS: BUSINESS IS GOOD FOR THE TOP COAL COMPANIES, AND THE CLOSER THEY ARE TO THE UTILITIES, THE BETTER THEY FAIR

The fortunes of the coal industry have improved notably in the last 4 years. Since 1960 bituminous coal output has risen 16 percent, from 415 million tons to 482 million. Behind this growth lies the \$1.5-billion utilities market, using about 6 percent more coal each year. Coal's other big market—steel—has been of little help, increasing its consumption an average of only 2 percent a year since 1960.

Coal's position with the utilities is solid. Despite the growth of natural gas meantime, it still supplies 66 percent of the energy used to generate electricity, just as in 1950. But the battle remains fierce. Foreign residual oil offers real competition on the east coast. So, in other areas, do natural gas and atomic energy. But coal is today an aggressive contender.

To keep the offensive, coal's strategy is to sign the utilities to long-term contracts running as long as 30 years. This assures the utilities of stable energy costs, something they cannot count on from oil. The risks are great—to get the utilities to sign, the coal companies must offer attractive prices, often depending on unrealized gains in mine productivity. Confided one eastern coal executive: "All of these contracts have escalation clauses in case wage or other costs get out of hand. But when I think of some of the prices quoted, the escalations seem small comfort."

Yet the strategy seems necessary to coal's survival. Said F. Stillman Elfred, Peabody Coal Co.'s peppery chairman, "When you get

a customer to take your coal for 20 years, you know exactly where you stand. Then you can make the investment in the machinery you need to produce at the price you have set. And in the meantime you have frozen out the competition."

THE STANDINGS

All the big coal companies did well last year. The more closely they were linked to the utilities, the better they did. Peabody Coal, for example, came up with a 24-percent gain in net over 1963 on an 18-percent sales increase. (See table.)

Close to 90 percent of Peabody's operations are in strip mining, the cheapest way to dig coal. Peabody does 75 percent of its business with utilities, most of it under long-term contracts. In its midwestern market Peabody has little competition from residual oil or atomic energy. Its mines are located near their markets, and half its output can be shipped by cheap water transport, in barges in which Peabody often has a part interest.

Consolidation Coal Co., the biggest coal company (in sales), showed impressive earnings gains of 16 percent last year and nearly 50 percent since 1960 on a smaller sales rise than Peabody's. But with only 8 strip mines out of a total of 32, Consol's gains in net have come less from its own mines than

from tax reductions and credits, joint coal operations with others and dividends from its 3 million Chrysler shares.

Among Consol's problems is competition from oil in eastern markets. In addition it sells the steel companies some 24 percent of its output. Said President G. Albert Shoemaker, "There is no real growth in steel. Any expansion in steel will be compensated by greater efficiencies in the use of coking coal."

But Consol is also the richest coal company, with net working capital of \$104 million, and a 3.7 to 1 current asset ratio versus an average of 1.7 to 1 for the other four companies on the table. These liquid assets, said Shoemaker, "will enable us to make a long-term deal of any proportion with any customer."

Among the other major coal producers, Island Creek Coal Co. gets practically all its income from coal, while Pittston Co. and Eastern Gas & Fuel Associates get less than half. But all three have this in common: They increased their coal earnings sharply last year, Island Creek by 33 percent, Eastern by about 60 percent, and Pittston by about 80 percent.

Anyone who still thinks of coal as a sick or dying industry would do well to ponder these figures.

Coal's performance

Company	1964 sales (millions)	1963-64 change (percent)	Earnings per share		
			1964	1963-64 change (percent)	1st quarter 1964-65 change (percent)
Peabody.....	\$188.7	+18	\$2.16	+24	+5
Consolidation.....	297.3	+4	3.17	+16	+19
Island Creek.....	112.0	+20	2.38	+33	+10
Eastern Gas & Fuel ¹	170.3	+13	6.43	+83	+84
Pittston ²	257.1	-2	4.90	+10	(?)

¹ Diversified.

² Not available.

RUMANIAN INDEPENDENCE DAY

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mrs. BOLTON] may extend her remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mrs. BOLTON. Mr. Speaker, May 10 marks the anniversary of Rumanian independence. On this day, Clevelanders of Rumanian descent will gather to observe the occasion. Regrettably similar celebrations will not take place in Communist Rumania. Yet in the hearts of the people, we are confident, this event is cherished. It remains the symbol of their permanency and perseverance through woes and hardships to reach the ultimate goal of freedom and well being.

Ruthless foreign domination now oppressing the Rumanian nation has not been able to extinguish the people's devotion to May 10. Liberty is not so easily defeated.

Freemen everywhere should pause and reconsider all that they take for granted. Such an event as this helps remind us of our blessings.

So it is my privilege and honor to stand side by side with my Rumanian-American friends in observance of this day, awaiting with strength and courage the return of freedom to Rumania.

RUMANIAN INDEPENDENCE DAY

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. GERALD R. FORD] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, it is particularly significant in this turbulent time of aggression against freedom in many parts of the world that we pay tribute to the spirit and courage of the Rumanian people.

This 10th of May traditional national holiday celebration is a living symbol of perseverance in seeking freedom while facing tremendous obstacles.

The free world takes a monumental pause today to honor the history of Rumania where its people can no longer commemorate this date behind the Iron Curtain.

Although tragic circumstances silence the people in Rumania, we in the free world send them assurance that a time of independence must ultimately be achieved.

We join with Rumanians, who are captive in their homeland and must celebrate today in their hearts, in hoping for the dawn of a new time when freedom will return to their country.

EULOGY TO FORMER U.S. SENATOR OREN E. LONG OF HAWAII

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, it is with extreme sadness that I rise to inform the House that the State of Hawaii mourns the loss of one of its outstanding citizens, former U.S. Senator Oren E. Long, who passed away in Honolulu on Thursday, May 6, 1965. He was 76 years of age.

Senator Long's sudden death means a deep personal loss to me. He was a very dear friend of mine, and I was privileged to enjoy his friendship over a long period of years. Like thousands of others who attended the public schools in Hawaii, I came to know Oren E. Long by his reputation many years before the start of our friendship. He had actually given the public school system in Hawaii a lifetime of outstanding service before commencing a career in politics which he completed with equal distinction and dedication.

Honest, courageous and able, Oren E. Long was above all a kind and thoughtful person. He was just as much interested in the problems of schoolchildren as he was in the affairs of state. Behind a quiet and unassuming demeanor, Senator Long possessed a remarkable quality of being able to get things done. He himself once alluded to the fact that while he disdained shouting and pounding on the table, he was, in his own way, able to obtain the desired results.

Oren E. Long was born in Altoona, Kans., on March 4, 1889. He received his early education in Kansas and Tennessee. He received graduate degrees from the University of Michigan and from Columbia University.

He journeyed to Hawaii in 1917. After serving his initial island assignment as a social worker, Oren Long became vice principal of McKinley High School, which was then one of the few high schools in Honolulu.

After a period of study in the continental United States, he returned to the public education field in the then Territory of Hawaii. From 1925 to 1934 he was deputy superintendent of public instruction, before becoming the head of the department.

As superintendent of public instruction, he was sincerely interested in giving the best possible education to all of Hawaii's children of heterogeneous races. He guided the public school system to a place of excellence.

Thousands of our citizens remember Oren E. Long best for the many years in which he headed the school system in Hawaii. During this period, the number of senior high schools increased from 9 to 24.

In 1946, he was named Secretary of Hawaii, the Territorial counterpart of the present Lieutenant Governor's office. He became Hawaii's Governor in May 1951.

When Hawaii achieved statehood in 1959, Democrats nominated him for the U.S. Senate and he defeated his Republican opponent for the 2-year term.

In 1962, Senator Long voluntarily retired and stepped aside for DANIEL K. INOUE, Hawaii's distinguished first Representative to Congress, in whom he had, in the Senator's own words, "a special interest."

Mr. Speaker, as a citizen of Hawaii and a close friend of the late Oren E. Long I am deeply grieved by the passing of this great American. He leaves behind him indelible footprints in the sands of time. To his beloved widow Geneva Long, I extend deepest sympathy from Helene and myself.

FOREIGN AID IS GOOD BUSINESS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, when we take a close look at how our foreign aid is stimulating our economy, the conclusion is inescapable that our aid to the developing countries of Asia, Africa, and Latin America, is not only the right and humanitarian thing to do, but it is also good business.

Under the "buy American" policy of our aid program, 86 percent of all the goods we financed today are bought right here in the United States. This, in turn, has opened up new export markets for us, by acquainting the people of the developing countries with American-made products.

In fiscal 1964 alone, our economic assistance programs were translated into \$1,008 million worth of export business for American industry. American shipping lines were paid another \$80 million to carry these goods to their destinations. Other AID dollars went to pay American colleges, businesses, consulting firms, and nonprofit associations who hold \$450 million worth of AID contracts for technical assistance overseas. Still more AID dollars went to pay American engineering and construction firms to design and to build about \$4 billion worth of capital projects the United States is helping to finance in the poorer countries—irrigation works, power dams, fertilizer factories—the kinds of things that will give these countries a chance to expand their own output.

Any way you look at it, our foreign aid program means a lot of business for American business and industry today. In 1964, it meant \$157 million in export business for American iron and steel product manufacturers; \$310 million in exports of machinery ranging from electric motors to draglines; \$97 million in chemical exports; \$83 million for motor vehicles from American factories; and \$49 million in railway equipment exports.

These were all exports to countries that were unable to buy much from us because of shortage in foreign exchange. The AID program finances a large share

of U.S. exports to these markets and a very large share of total exports in many areas. For example, AID pays for 31 percent of all exports of iron and steel mill products, 37 percent of railway transportation equipment, and 46 percent of fertilizers.

In our military assistance program, practically every dollar of the billion-dollar budget is spent to buy American military hardware.

From a long-range viewpoint, we find that our AID program is now playing the same role in the developing countries of Asia, Africa, and Latin America that the Marshall plan played earlier in Western Europe by developing the economies of countries that could become good U.S. customers, and by acquainting them with U.S. goods and services in the process.

Our biggest present export customers are former aid recipients, now the developed countries of Western Europe, and Japan, where AID financing is no longer necessary or furnished. In the period from 1950 to 1962, our exports to Europe doubled. Our exports to Japan have tripled in the past decade.

A striking example of how the aid program has led to the creation of new export markets is demonstrated by U.S. coal sales abroad. Before World War II, U.S. coal was not normally exported to European markets. Under the Marshall plan, however, large amounts of coal were exported to Europe under foreign aid financing. Aid financing of coal exports has long since been reduced virtually to zero. But the markets have remained.

The Coal Exporters Association of the United States points out that 28 million tons of the 40 million tons of U.S. coal exported in 1962—approximately \$285 million worth—was a result of export business established as a consequence of our foreign aid program. This is a classic case of U.S. aid paving the way for new markets which thrive after aid is discontinued.

The developing countries in Asia, Africa, and Latin America which we are aiding today represent a potential market for American exports—four times the size of our present major overseas market in Western Europe.

There are already signs that in some developing countries, trade is beginning to follow aid, as it did in Europe. For example, there were increases in non-aid U.S. commercial exports over the past 5 years of 14 percent to Taiwan, 28 percent to Colombia, and 76 percent to Israel.

The foreign aid program in the recipient countries is also helping to establish sound fiscal budgetary and monetary policies which is proving conducive to private investment and economic growth. It is evident that our aid program is influencing public policies and private actions in dozens of countries around the world in the direction of progress and freedom.

The fact that it is good business is a valid reason for continued support of our foreign aid program. But it is not the only reason. The bulk of the world's population still live under conditions of

hunger, poverty, and disease. It is not simply a matter of sound business for us to help overcome these conditions. It is also a matter of fundamental humanitarian concern. Thus, we have one of those rare and fortunate instances where self-interest and the right thing to do actually coincide. Let us continue this worthy program.

THE NEED FOR JUNIOR COLLEGES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. COLLIER] is recognized for 30 minutes.

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks including a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COLLIER. Mr. Speaker, if ever there has been a single phase of higher education in this country which has been neglected, it is in the area of the junior and community college. Looking ahead a few years, it becomes more and more evident that this year much greater emphasis must be placed if we are to solve the problem of overcrowded campuses and educational opportunity for a greater number of deserving students.

About 1.4 million young people who will receive their high school diplomas in the next few weeks are seeking college entrance in September. It is estimated that more than 100,000 of these who are scholastically qualified will not gain admittance.

State universities that once welcomed out-of-State students can no longer do so because most have a serious problem in accommodating those students residing in their own States. Higher tuitions and more stringent scholastic requirements have necessarily been placed upon out-of-State applicants.

In my home State of Illinois, more than 5,000 students who sought admission had to be turned away in September of 1964. This number will increase in growing proportions in the years ahead unless something is done at a community level to absorb greater numbers of these each year. The prime problem in most cases is inadequate facilities. There is a need for congressional action to provide incentives at a community level to expand junior colleges and community college facilities. In fact, conservatively speaking, there is a need for at least doubling the number of junior colleges now in operation over the next 10 years.

There are many obvious advantages to expanding this type of facility in the field of higher education. As a matter of simple economics, one must realize that the average cost of attending a junior college is about \$1,600 per year less than it costs a parent to send a son or daughter to a college or university away from home. In the light of the sharply increasing expense in attending the private colleges, Government funds just cannot provide the answer on the scale that is demanded.

A few months ago, I polled several hundred of these private colleges and found that the increase in enrollment has in no manner kept pace with the increase in tuition, construction of new facilities on these campuses, or the sharp increases in faculty salaries. While the survey was made of this type of institution across the country, let me cite the results of some of those in my own State which are indeed significant. One showed a decrease in enrollment over 8 years of approximately 7 percent while the tuition cost increased 104 percent and new construction soared over \$3.5 million, 17 percent of this cost coming from Federal funds.

During this same period, faculty salaries increased by 80 percent. Another college with an enrollment of approximately 1,400 students showed an increase of 24 percent in enrollment while tuition increased over 100 percent and faculty salaries in excess of 60 percent. Still a third showed an increase in enrollment of 6 percent with tuition expenses soaring by 72 percent and faculty salaries by 50 percent. The same institution spent approximately \$4 million in new construction during the same period of time.

While I am not critical of either the need for new buildings nor the increase in faculty salaries, the fact remains that the increasing number of dollars is not going to expanding the educational opportunities for a greater number of students. If tuitions continue to soar each year on most college campuses, the burden of providing a college education is becoming more and more difficult for families with modest incomes whose sons and daughters are not able to get into their State colleges and universities because they are overcrowded and have constant student housing problems.

An expanded system of junior and community colleges would also take great pressure off of the student loan programs for certainly the need for student loans would be minimized where the same students could spend 2 years in a junior college, for example, before going on to a larger college or university. There is one other very important reason why expansion of the junior college program is essential in the field of higher education today.

Countless thousands of students who enter an institution of higher learning each year either wash out at the end of the first or second grading period or flunk out by the end of the year. In many cases, it is because the growing demand upon college students today and the higher standards of education at this level are part of the educational progress in the society in which we live. Many students fail because they are just not equipped to cope with these demands either because of improper study habits or inability to acclimate to college life and to compete academically with other students. Thus, the junior and community college system affords a sort of screening process. It seems to me that it makes good sense to find out that a student cannot do college work satisfactorily before he goes off to a campus many miles away from his home.

It is not unlikely that the cost of a college education will continue to increase in the years ahead. It is a certainty that the number of high school graduates who seek college entrance will continue to rise at a greater pace than they have in recent years. While we have made advances in providing college housing in the past decade, this will continue to be a serious problem, too.

All of these factors, it seems to me, establishes the need for greater and greater emphasis upon the expanding program I have recommended. The incentive to build new junior colleges must be provided as part of the Higher Education Facilities Act which was woefully inadequate in this field. And, this is where one could expect an increase in enrollment of college students more in line with the dollars which are spent for new construction in the field of higher education. Now, it seems to me, is the time that the Congress should look at this problem objectively and from a long range point of view for it holds the key to accommodating the primary demand this Nation must meet in the field of higher education in the years ahead.

STATUTES, REGULATIONS, POLICIES, AND PRACTICES OF SELECTED FOREIGN COUNTRIES PROVIDING FOR PREFERENCES FOR DOMESTIC MATERIALS AND FIRMS IN THE AWARDED OF PUBLIC SUPPLY AND PUBLIC WORKS CONTRACTS

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 60 minutes.

Mr. SAYLOR. Mr. Speaker, today's study of foreign governments' purchasing practices deals with Latin American countries, including Venezuela, whence most of the foreign oil used in east coast military installations originates.

While Venezuela has erected impenetrable obstacles to foreign supplies and equipment for government use, our own Department of Defense is literally tied to the uncertainty of foreign sources of energy in east coast bases. Although obviously such imports would not be available in an emergency, the State Department objects—for so-called diplomatic reasons—to any prohibition whatsoever on shipments of foreign fuel.

As you are well aware, the use of coal produced in Pennsylvania and other mining States instead of alien oil would be advantageous to America's balance-of-payments position and at the same time help to reduce coal industry unemployment. These factors should be taken into consideration as you review No. 7 in a series of documents which I present for publication in the RECORD.

LATIN AMERICAN FREE TRADE ASSOCIATION (LAFTA)

Unlike the various European regional economic treaties, the Treaty of Montevideo establishing the Latin American Free Trade Association (LAFTA) does not contain any specific provision for the elimination of, or any provisions which could form a direct

basis for action to eliminate, legislative, regulatory administrative provisions, practices and policies of the contracting parties discriminating against foreigners and foreign products in the field of public contracts.

The treaty was signed on February 18, 1960, by Argentina, Brazil, Chile, Mexico, Paraguay, Peru, and Uruguay. All the signatory governments deposited their instruments of accession on May 2, 1960, except Paraguay (June 21, 1961). Colombia and Ecuador acceded by instruments of accession deposited on September 30, 1961, and November 3, 1961, respectively. Article 58 of the treaty leaves the way open for accession by any other Latin American country but thus far only Venezuela appears to have given serious consideration to acceding.

Basically, the treaty provides for the creation of a free trade area during the 12-year period following the entry of the treaty into force by the gradual and progressive elimination by the members of LAFTA, "in respect of substantially all of their reciprocal trade", of such duties, charges and restrictions that may be applied to imports of goods originating in the territory of any contracting party. The contracting parties have also agreed to attempt to harmonize their import and export regimes, to establish consistent treatment for capital, goods and services entering the free trade area, and to coordinate their plans for industrial development. Until 1973 each contracting party will continue to set its own tariffs against nonmembers, but at that time all the contracting parties will review what they have created, and, if the results justify such action, they have agreed to multilateral negotiations to adapt the treaty to a new stage of economic integration.

The treaty establishes three interrelated devices by which the contracting parties will reduce tariffs and other barriers to interarea trade. Those devices are (1) annual negotiations of reciprocal concessions on particular products; (2) triennial negotiations of a "common" list of products that the parties irrevocably agree will circulate free of all barriers by no later than 1973; and (3) negotiations from time to time by two or more contracting parties of so-called "complementation" or "integration" agreements providing for preferential treatment for particular products or for the products of particular industries.

The supreme organ of LAFTA is the Conference of the Contracting Parties, which "shall adopt all decisions in matters requiring joint action". The permanent organ of LAFTA is the Standing Executive Committee, which acts as the executive branch. Its membership consists of a permanent representative from each Contracting Party, which has a single vote, and a Secretariat headed by an Executive Secretary.

The theme which is expressed in the preamble to the Treaty and runs throughout the Treaty is the desire of the Contracting Parties to pool their efforts to achieve the progressive complementarity and integration of their national economies on the basis of an effective reciprocity of benefits. Conceivably, application of that theme in the course of the evolution of the free trade area toward full operation in 1973 may give rise to action to eliminate national discriminations in the field of public contracts. For example, although "dumping" is not referred to in the Treaty, the Second Session of the Contracting Parties adopted a resolution (No. 65 (II)) declaring "dumping" and other unfair commercial practices in international trade to be incompatible with the Treaty and containing an undertaking by the Contracting Parties to use all their power to prevent such practices and to enact national legislation to that end.

Thus far, however, no action appears to have been taken in the field of public contracts, although all the Contracting Parties

discriminate in one way or another against foreigners and foreign products in the letting of public contracts.

Principal sources

(1) Association of the Bar of the City of New York, Committee on Foreign Law, Economic Integration in Latin America, 17 Record (Supplement, June 1962).

(2) Business International, Latin America's Merging Market: The Challenge of Economic Integration (New York, 1964).

(3) Hoagland, The Latin American Free Trade Association, in Surrey and Shaw (eds.), A Lawyer's Guide to International Business Transactions (Philadelphia, 1963).

(4) United Nations, Multilateral Economic Co-operation in Latin America, Vol. 1: Text and documents (1962).

(5) Wloneczek, Latin American Free Trade Association, International Conciliation, No. 551 (January 1965).

ARGENTINA

(Member of LAFTA)

The basic Argentine legal provision relating to public supply and public works contracts is Chapter VI of the Accountability Law (Ley de Contabilidad) (Decree-Law No. 23,354 of 1956), as last amended by Decree No. 2554 of April 4, 1961 (Boletín Oficial, April 7, 1961). The Decree-Law is regulated by Decree No. 9,400 of August 12, 1957 (Boletín Oficial, August 23, 1957), to which are attached the General Specifications for Public Tenders, Private Tenders and Direct Contracting—General Clauses.

Article 55 of the Decree-Law establishes the general principle that every purchase or sale for the account of the Nation as well as every contract concerning the giving on lease (locación), and the taking on lease (arrendamiento), of works or supplies shall be made after public bidding (licitación pública). Article 50 authorizes private bidding (licitación privada) for small contracts and direct contracting (contratación directa) in 13 cases, including the case in which, for urgent reasons, there is no time for tendering. The exceptions are capable of being broadly construed. All contracts exceeding 5,000,000 pesos (about \$33,000 in January, 1965) must be approved by the Executive Power.

Paragraph 40 of the Regulations under Article 61 provides that as a general rule bidders must be enrolled in the Register of State Suppliers maintained by the General Administration for State Supplies under the provisions of Paragraph 1. Under Paragraph 41, however, enrollment is not necessary in the case of foreign firms which do not have representatives or agents in Argentina. In order to comply with technical tender requirements and procedures, however, it is almost imperative that a foreign firm have a representative or agent in Argentina.

The quotation of each bidder must, under Paragraph 47, specify whether products of Argentina or foreign industry are involved and Article 48 implies that bids contemplating products to be imported will be accepted only if so provided in the bid proposal.

Paragraph 68 of the Regulations under Article 61 provides that the most advantageous (más conveniente) offer shall be accepted, it being understood that such offer, quality being equal, is the one that is lowest in price. Nevertheless, the way is left open for discrimination against foreign materials by providing exceptionally that the contracting authority may award the contract to a higher bidder if it is determined that the quality of his product is better. Moreover, Paragraph 69 permits the rejection of all bids.

The General Conditions attached to the Regulations require that bidders establish legal domicile in Argentina.

A strong "Buy Argentine" policy is in effect by virtue of Decree-Law No. 5340 of July 1, 1963 (Boletín Oficial, July 5, 1963), as amended by Decree-Law No. 6672 of August 9, 1963 (Boletín Oficial, August 16, 1963). An unofficial translation from Spanish of Decree-Law No. 5340, as so amended, is attached hereto.

Article 1 of Decree-Law (page 4 of the translation) requires all Government departments, agencies, autonomous State entities, State enterprises, public service concessionaires and their contractors to purchase only merchandise, materials and products of Argentine origin when available at "reasonable" prices. Article 13 provides for the extension of the policy to the provinces.

The Decree-Law is complemented by a circular of the same date of the Central Bank of Argentina to commercial banks which states that, in order to put domestic suppliers on a more competitive footing with regard to credit terms, the Bank will finance up to 80 per cent. of the payments contracted by national and provincial agencies for periods of up to five years.

The criteria set forth in Article 3 (pages 5-7 of the translation) for price comparison purposes are obviously discriminating against foreign bidders and foreign products. Particularly discriminating is the provision that an amount equivalent to the sales and profits taxes shall be included in the price of the imported product, even though the latter is destined for the importer's own use and hence is not subject to those taxes.

Moreover, Article 4 gives a distinct advantage to products originating elsewhere in the Latin American Free Trade Association over products originating elsewhere.

Principal sources

(1) Airgram No. 177 dated August 14, 1963, from the United States Embassy in Buenos Aires.

(2) Letter dated November 12, 1964, from the Bureau of International Commerce, United States Department of Commerce, to Cravath, Swaine & Moore, New York.

(3) United States Department of Commerce, "Basic Data on the Economy of Argentina," Overseas Business Reports, No. OBR 63-84 (1963).

(4) United States Department of Commerce, Establishing a Business in Argentina, Overseas Business Reports, No. OBR 64-33 (1964).

ARGENTINA DECREE-LAW NO. 5340 OF JULY 1, 1963

(Boletín Oficial, July 5, 1963)

(Unofficial translation from Spanish)

Whereas in order to promote the general welfare, which is one of the essential aims of the Government, measures may be enacted, which are conducive to the prosperity of the country and to the advancement and welfare of all the provinces, for the promotion of the existing industries and the introduction and establishment of new industries through laws for the protection of these purposes, as expressed in the Preamble to the National Constitution and its Article 67, paragraph 16;

Whereas it is considered absolutely essential and urgent to take certain measures to promote domestic activities for the production of goods;

Whereas purchases abroad of goods which could be acquired in the domestic market unnecessarily increase the deficit in the balance of international payments of the Republic, since they require payments in foreign exchange which can be avoided;

Whereas the larger the sales on the domestic market, the more employment there will be and the larger the degree to which the causes for employment will be eliminated;

Whereas a larger volume of sales is generally accompanied by a reduction in cost,

which in turn is reflected in a reduction of sales prices;

Whereas a strengthening of the domestic market encourages new investments and, consequently, creates an element of competition which is the basic mechanism for improving production and lowering the costs thereof;

Whereas purchases to be made by the public administration, the agencies, departments and economically independent and self-governing entities, the State enterprises and public service enterprises operating under license represent a very large volume;

Whereas it is essential to take measures to insure that the purchasing potential of the State, of the State organizations and of those rendering public services is directed toward the domestic market by acquiring to the largest extent possible products, merchandise and materials of domestic origin where their price level is reasonable compared to similar products, merchandise and materials acquired abroad;

Whereas the customs duties and exchange surcharges on imports tend to establish a balance between the prices for domestic products and for imported products within reasonable margins and in consideration of the convenience of the establishment of certain production activities;

Whereas since the public administration, the State organizations and enterprises and the public service enterprises operating under license are, in some instances, exempt from payment of customs duties and import surcharges and, in other instances, are granted financial facilities for payment thereof, there naturally exists a tendency to acquire imported materials, merchandise and products;

Whereas for these purposes it seems the most appropriate to establish absolute preference in favor of materials, merchandise and products of domestic origin for direct or indirect acquisitions by the public administration, the State organizations and enterprises and public service enterprises operating under license where the price is reasonable, a reasonable price to be deemed a price which is not higher than that of the imported materials, merchandise or products after computing all exchange surcharges, duties, imposts, taxes and charges which a non-privileged importer would have to pay, i.e., a person who cannot claim the exemptions or privileges of the State;

Whereas in this manner, the same policy is followed which the industrialized countries have adopted and which secured for their own industries a market for public investment;

Whereas with the establishment of this system, the National Government proposes to secure permanently an important sector of the domestic market for supply with production of domestic origin, without disregarding the commitments under the Treaty of Montevideo which established the Latin American Free Trade Association; and now therefore,

The President of the Argentine Nation decrees with force of law:

Article 1. The Public Administration, the agencies, departments, economically independent or self-governing bodies, the public service enterprises operating under license and the State enterprises shall exclusively acquire materials, merchandise and products of domestic origin, provided the price be reasonable.

Under the same obligation shall be persons who enter into works or services contracts with the public administration, the agencies, departments, economically independent or self-governing bodies and State enterprises.

Article 2. For purposes of Article 1, it shall be understood that a material, merchandise or product is of domestic origin when it is:

(a) a mineral extracted from mines situated within the national territory and processed within said territory;

(b) a farm product produced within the national territory;

(c) an industrial product manufactured in the Argentine Republic for the finishing of which raw materials, semi-finished products or parts produced in the national territory are used;

(d) an industrial product manufactured in the Argentine Republic for the finishing of which raw materials, semi-finished products or parts produced abroad and which are not, or cannot be, produced within the national territory at reasonable prices are used;

(e) an industrial product manufactured in the Argentine Republic by industrial plants which are developing a plan of industrial integration approved or established by competent authority, even though the product may not comply with the requirement of paragraph (d) above.

Article 3. The cost shall be considered reasonable when the price of the materials, merchandise or products of domestic origin is not higher than the price of imported materials, merchandise or products which, for purposes of price comparison only, shall include:

(a) value c.i.f. Argentine port (cost, insurance, freight);

(b) the exchange surcharges established for import of the materials, merchandise or products in question which must be paid by a non-privileged importer; the minimum surcharge shall be computed at 25 percent if the established surcharge should be less or should not exist;

(c) the imposts, duties and customs charges which would have to be paid by a non-privileged importer;

(d) all remaining imposts, duties, taxes or charges which are payable by a non-privileged importer, and an amount equivalent to the sales and profitable activities tax, even though the import may consist of goods intended for the personal use of the importer;

(e) any interests, commissions and financial charges which the purchaser must pay if term payment for the imported materials, merchandise and products may have been offered, in the amount which may exceed the current percentage in the country of origin for financed exports, on the value of the delivered materials, merchandise and products; there shall also be computed in this context the income tax payable on remittance of interest abroad where it is imposed on the purchaser.

Article 4. On materials, merchandise and products originating in countries belonging to the Latin American Free Trade Association, only the surcharges and customs tariffs in force on the Argentine national list shall be computed.

Article 5. If the Ministry of Industry and Mines, upon request by an interested party or ex officio, should validly determine that the price in the internal market of the country of origin of the imported material, merchandise or product which may have been offered is at least 10% higher than the export price and provided that there does not exist an established index price, the price C.I.F. Argentine port shall be substituted, for purposes of price comparison, by the current price in the internal market of the country of origin, increased by the factors necessary to determine the value C.I.F. Argentine port.

Article 6. For purposes of the price comparison provided for in Article 3, if the amount of all the taxes on the imported finished product which the non-privileged im-

porter would have to pay should be less than the total amount of taxes paid on the imported component parts of the domestic finished product, that difference shall decrease the price of the material, merchandise or product of domestic origin included in paragraph d) and e) of Article 2. That amount shall be determined by the Ministry of Industry and Mines, and the lesser amount determined shall be applied to each one of the various similar materials, merchandise or products of domestic origin offered in public bid if imported raw materials, semi-finished products or parts had been used to differing extents in the finishing.

Article 7. A certificate by the Ministry of Industry and Mines to the effect that a material, merchandise or product is of domestic origin pursuant to the provisions of Article 2 and stating the amount determined in accordance with Article 6 shall be a prerequisite for the application of the regulations established. The Ministry of Industry and Mines shall issue the certificates within 10 business days from the date of request, and the certificates shall be permanently valid as long as they are not rectified or modified ex officio or at the request of an interested party.

Article 8. The official banks may grant credits, endorsements, or guarantees for the financing of the purchase in foreign countries of materials, merchandise, or products by the provincial or municipal public administrations, departments, economically independent or self-governing bodies or State, provincial, or municipal enterprises only after issuance of the joint resolution to which Article 12 refers.

Article 9. Exemption from exchange surcharges or customs duties requested by the provinces, municipalities, or any other public body for the import of materials, merchandise or products shall not be granted if the conditions established in this decree do not prevail.

Article 10. The regulations established are hereby declared of public order, and any contracts entered into in violation thereof are declared absolutely null. Nullity may be declared ex officio or at the request by an interested party, considering as such also a party offering materials, merchandise or products of domestic origin.

Article 11. There is hereby established, under the jurisdiction of the Ministry of Economy, an Honorary Advisory Commission formed by representatives of State organizations and private activities, which shall supervise compliance with the provisions of these regulations by advice to said Ministry. An internal regulation to be issued shall establish the number of members, the organizations represented and the procedure under which it must discharge its assignment.

Article 12. Upon receipt of advice from the Commission to be created, import permits may be granted by joint resolution of the Ministry of Economy and the Ministry of Industry and Mines in the following cases:

(a) Where the provisions of the regulations established by this decree have been complied with and the price C.I.F. Buenos Aires for the imported materials, merchandise or products is more advantageous in accordance with the criterion for comparison established under Article 3.

(b) Where the object on which international public bids have been made is protected by an exchange surcharge in excess of 25 percent and, after a cost study, including a reasonable profit for the Argentine manufacturer, the conclusion was reached that the existing protection exceeds the protection that would be necessary for purposes of the comparison mentioned in Article 3, paragraph (b), the surcharge may be reduced to the extent of the amount in excess and

¹ As amended by Decree Law No. 6672, dated August 9, 1963, published in the Boletín Oficial of August 16, 1963.

the new charge shall under no circumstances be lower than 25 percent.

(c) Where there is an urgent reason and it is validly proven that the local suppliers are not in a position to deliver the product involved within the required time.

(d) Where imports from countries which are members of the Latin American Free Trade Association are involved and it is believed that a specified import will promote exports in other sectors.

(e) Where operations financed by foreign governmental agencies or international credit organizations are involved, provided that, after the corresponding economic studies have been undertaken, the production or work to be financed is considered of high priority and that, as a consequence thereof, a correlative increase in general domestic activities and an adequate participation by the Argentine industry will occur.

(f) Where it is validly proven that the quality of the domestic product is not satisfactory or that the technical specifications demanded by the purchasing entity substantially differ from those of the domestic product and cannot be adapted to those of the domestic industry without serious detriment to the buyer.

(g) Where the previous business transactions of the domestic supplier have, in the judgment of the Commission, not been satisfactory as to his ability to comply with the terms and conditions of his offer.

(h) Where the bidder, by virtue of the benefits granted by the State, has committed himself to operate at a level of protection below that which is established by these regulations.

Article 13. The Ministry of the Interior shall invite the provincial governors to enact standards similar to those of these regulations in their respective jurisdictions.

Article 14. The provisions of this decree shall not apply to comparisons to be made in international tenders undertaken under financings already agreed upon with foreign government agencies or international credit organizations in which the corresponding contingencies had especially been provided for.

Article 15. This decree shall be countersigned by the Ministers and Department Heads in the Departments of Economy; Public Works and Services; National Defense; and Interior, and signed by the Secretaries of State for Energy and Fuels; Industry and Mines; Commerce; and Finance.

Article 16. To be communicated, published, passed on to the Office of the Director General of the Official Bulletin and Printing, and deposited in the archives.

Gumo.—José A. Martínez de Hoz.—Horacio J. Zubiri.—José M. Astigueta.—Osiris G. Villegas.—Jorge Bermúdez Emparanza.—Luis Gotthell.—Juan B. Martín.—Eduardo B. M. Tiscornia.

BRAZIL

(Member of LAFTA and GATT)

Article 244 of Decree No. 4536 of January 28, 1922, as amended, containing the General Regulations for Public Accounts establishes the basic principle that contracts for supplies or the furnishing of services exceeding 5,000,000 cruzeiros (about \$2,825 in January 1965 at the free rate) and all public works contracts exceeding 10,000,000 cruzeiros (about \$5,650) must be awarded through public tendering (concorrência pública) in accordance with Chapter I of Title VII of the Decree.

Notices of calls for public tenders must be published in the official newspaper (Diário Oficial) of the Federal Government or the official newspapers of the States. Article 750 contains the somewhat unusual provision that all bids must be published in their entirety in the same official newspaper or newspapers in which the notices were published.

Restricted tendering (concorrência administrativa) is permitted in cases of "emergency" and for contracts the amount of which are less than those stated above. That method is subject to the same rules as public tendering except for the publication of notices and bids. Written notices must, however, be delivered or mailed to all suppliers of the article desired.

In the case of ordinary supplies the procurement authorities may effect direct purchases through what is called standing tendering (concorrência permanente). Under this method suppliers file in advance their names and other details, the prices at which they are willing to sell the supplies and information as to quality, delivery, etc.

The contracting authorities have the legal right to cancel any call for tenders as well as to reject bidders not deemed to be suitable (idoneidade). Under Article 743 the contract must be awarded to the lowest bid (a proposta mais barata), however small the difference between such bid and any other bid.

Preferences

Article 742 of the Accountability Decree provides that Federal Government departments shall always prefer domestic bidders, conditions being equal (em igualdade de condições).

Article 744 of the Decree provides as follows (unofficial translation from Portuguese):

"Article 744: It is permitted that the Government stipulate a second condition which, in the case of absolute equality between the two proposals, with right to better classification, will serve to decide to which falls the preference."

A check made by the United States Embassy in Rio de Janeiro of government tenders published in the Diário Oficial during January 1965 showed that, when conditions were stipulated under Article 744, first preference was given to bidders of Brazilian nationality. For example, in a tender published by the Ministry of Aviation, the condition was as follows:

"In cases of equality of prices, the decision will obey the following preferential order (Art. 744 of R.G.C.P.):

1. National bidder;
2. Reduction of prices;
3. Supplier of article or labor during the past year;
4. Drawing [i.e., by lot]."

Another tender for sale of used equipment stated that, in the event of equality of offers between a national firm and a foreign firm, preference would be given to the former.

According to information supplied by the United States Department of Commerce and the United States Embassy in Rio de Janeiro, the Government and its agencies and autonomous entities are required to purchase articles of domestic origin similar to foreign articles (artigos de produção nacional similares aos estrangeiros), rather than making purchases abroad, if the products are included in the list of equivalent domestic products ("similars") determined by the Customs Policy Council. Articles so included are automatically ineligible for exemption from, or reduction of, import duties, and are, moreover, transferred to the least favorable category of exchange.

Basic exemptions from, or reductions of, import duties are regulated by Decree-Law No. 300 of February 24, 1938, as supplemented by Law No. 3244 of August 14, 1957, which established a new tariff system listing items according to the Brussels nomenclature. Additional exemptions or reductions are granted by other laws and decrees, either permanently or temporarily, for specified articles, but all exemptions or reductions are dependent upon the fact that the imported article has no equivalent produced domestically in a quantity sufficient to supply the market.

Moreover, Article 3 of Law No. 3244 provides that the Customs Policy Council may increase by a maximum of 30 per cent. the import duty on items of a type registered as "similars".

The basic provisions relating to the determination of "similars" are contained in Chapter XXVI of Decree-Law No. 300. The Commission on Similars established under its provisions was superseded by the Customs Policy Council under the provisions of Law No. 3244.

The basic regulation requiring the use of "similars" in public procurement, unless special permission is obtained, is reported by the United States Embassy in Rio de Janeiro to be Circular No. 7 of February 26, 1942, of the Director of Customs Revenue, which reads as follows (unofficial translation from Portuguese by the Embassy):

"In accordance with a decision rendered by His Excellency the Minister of Finance in a document filed with the Treasury Department as No. 9,159 of this year, which resulted in the issuance of Official Memorandum No. PL/53/561.1 (P.1.1.176) of January 29, 1942, from the Federal Foreign Trade Council, I hereby inform all Customs Inspectors and other Customs Boards of the country, for their guidance and necessary action that, in accordance with recommendations made by His Excellency the President of the Republic, preference should be given to the national similar products in all purchases made by the Public Administration of the Country."

Preference for products of the products of the Volta Redonda steel plant of the National Steel Company is provided by Circular No. 36 of December 18, 1947, of the Director General of National Finance, which reads as follows (unofficial translation from Portuguese by the Embassy):

"The Director General of the National Finances, taking into consideration the resolution of His Excellency the President of the Republic, to be implemented by order of the Minister of Finance, recommends to all chiefs of departments and services of this Ministry, as well as all autonomous agencies, that in their operations they shall not purchase from other sources those products manufactured by Volta Redonda steel plant of National Steel Company [Cia Siderurgica Nacional].

"It is further declared that the National Steel Company has already been requested to provide a list of products which it manufactures and that this list will be published so that the importation of similar products for use by government agencies can be completely discontinued."

The Government regularly encourages both its own entities and Brazilian private industry to develop national "similars". As an example, Petrobras, the Government petroleum monopoly, as a special division for developing information on, and specifications for, "similars".

Principal sources

(1) Letters dated December 16, 1964, January 22, 1965, and February 10, 1965, from the United States Embassy in Rio de Janeiro to Cravath, Swaine & Moore, New York.

(2) Letter dated November 12, 1964, from the Bureau of International Commerce, United States Department of Commerce, to Cravath, Swaine & Moore, New York.

(3) Foreign Service Despatch No. 1635 dated June 16, 1955, from the United States Embassy in Rio de Janeiro, entitled "Protection Against Imports of 'Similar' Products".

(4) American Chamber of Commerce for Brazil, São Paulo, Supplement No. 28 dated October 9, 1957, entitled "Registration of Similars".

(5) United States Department of Commerce, Establishing a Business in Brazil,

Overseas Business Reports, No. OBR 63-149 (December 1963).

(6) United States Department of Commerce, Foreign Trade Regulations of Brazil, Overseas Business Reports, OBR 63-150 (December 1963).

(7) Harvard Law School (World Tax Series), Taxation in Brazil (Cambridge, 1957).

CHILE

(Member of LAFTA and GATT)

In principle, Chilean law requires that public supply and public works contracts be awarded through public tendering, but there are many exceptions.

The two most important procurement agencies are the State Purchasing Department (Dirección de Aprovechamiento del Estado) and the Ministry of Public Works. Under the provisions of Article 1 of Decree with Force of Law No. 353 dated April 5, 1960 (Diario Oficial, April 6, 1960), the Purchasing Department, a public organism dependent on the Ministry of Finance, is in charge of the purchase, storage and distribution of all materials, machinery and other equipment required by the Government, including the armed forces, as well as of office supplies, material and equipment required by semi-governmental institutions, regardless of the origin of the funds with which the purchases are made. Under the provisions of Article 1 of Law No. 15,840 of November 2, 1964 (Diario Oficial, November 9, 1964), the Ministry of Public Works is charged, among other things, with the construction, improvement and repair of public works financed by the Treasury. Under Article 2 Ministries which have legal power to construct works, the State institutions and Government enterprises (such as the State Railways) and the municipalities can entrust to the Ministry the construction, etc., of works, agreeing with it on the conditions, the methods and the financing thereof.

Article 2 of Decree with Force of Law No. 353 requires that, as a general rule, the State Purchasing Department make its purchases through public or private tendering (licitación pública o privada). Public tendering may be omitted, however, in a number of specified cases, including those involving a purchase of not more than 5,000 escudos (about \$2,100 at the official rate) and in urgent and emergency cases.

Article 50 of Law No. 25,985 provides that public works shall be executed by means of contracts awarded through public bids. The Article provides, however, for a number of exceptions which permit works to be executed by direct negotiation (por trato directo), by contracts awarded through private tendering (por cotización privada), by administration (por administración) or by delegated administration (por administración delegada), all as determined by the Regulations. Works executed by administration are carried out by the department or entity concerned. Those executed by delegated administration are carried out as a rule by contractors on a cost plus fixed fee or cost plus percentage basis, or a combination of the two.

There are a number of legal provisions which contain preferences for Chilean bidders and Chilean products and materials. Article 4 of Decree with Force of Law No. 353 provides as follows concerning purchases of the State Purchasing Department (unofficial translation from Spanish):

"The Department shall give preference in the purchases which it makes to materials, supplies, and equipment of domestic manufacture, price and quality being equal and giving protection to the national [fiscal] interest.

"Conditions being equal, the manufacture of materials, furniture, fixtures, and equipment by national [i.e., Government] factories will be preferred."

By virtue of the registration requirements of the Regulations for Public Works Contracts approved by Decree No. 1,240 of June 6, 1961 (Diario Oficial, October 14, 1961), as amended by Decree No. 539 of March 7, 1963 (Diario Oficial, May 8, 1963), and Decree No. 2,193 of August 27, 1964 (Diario Oficial, September 22, 1964), contracts for public works can be awarded only to Chilean firms that are enrolled in the General Register of Contractors or in the Registers of Minor Works and Specialized Works maintained by the Divisions of the Ministry of Public Works. Contractors are enrolled in the General Register according to one or more principal specialties and are also classified in five categories according to the maximum amounts of the contracts which they are deemed qualified, ranging from the First Category of 2,000,000 escudos (about \$840,000) to the Fifth Category of 100,000 escudos (about \$42,000).

In order to be registered in the First Category of the General Register, a corporation must be organized by public instrument and its constitutive document must require that at least one of its directors be a professional Chilean civil engineer. Less restrictive requirements apply to the other Categories but at least one director must enjoy specified professional status. The Regulations also provide for numerous other technical and financial qualifications.

A Special Register is maintained for contractors deemed qualified to execute a work amounting to more than 1,000,000 escudos. The prerequisites for registration are fixed for each work by the officials of the Ministry; hence, the possibility exists for the registration of foreign contractors. Even if the amount is less than 1,000,000 escudos, a Special Register may be established, if the technical characteristics of the work justify it.

Decree No. 1,250 of October 20, 1964 (Diario Oficial, November 18, 1964), an unofficial translation from Spanish of which is attached hereto as Schedule A, requires all governmental and semi-governmental entities to purchase domestic metallurgical products or parts in preference to similar imports.

Article 2 provides that domestic metallurgical products "of equal price and quality" must be given preference over similar imports and that, for purposes of price comparison, the amount of the duties levied by the customs authorities shall be added to the price of the goods of foreign origin, even though the purchasing entity may bear such duties. According to reports from the United States Embassy in Santiago, the Chilean Metallurgical Trade Association (ASIMET) takes the position that such duties must be included, even though the purchasing entity may be exempt from paying such duties.

Reasons for purchasing foreign metallurgical products must be certified to the Department of Industry and Commerce in the Ministry of Economy. The certification must show that there are no equivalent domestic products, that no bids for similar domestic products were received, or that there exist acceptable reasons justifying metallurgical imports. A maximum amount of domestic components should be incorporated in the imported products, if the complete product is not available domestically. Preference must be given to foreign offers of equal "price" and "quality" which would permit maximum incorporation of domestic components in the final product.

Most unfinished metallurgical products manufactured in Chile are already protected by prohibited lists or high surcharges.

Finally, Circular No. 30 dated August 4, 1961, of the Ministers of Economy and the Treasury, an unofficial translation from Spanish of which is attached hereto as Schedule B, contains instructions to State enterprises (empresas del Estado), such as the State Railways, concerning the letting of bids and

provides that, in cases where there exists domestic production of the article required, bids should be limited to Chilean suppliers.

Principal sources

(1) Letters dated November 9, 1964, and January 15, 1965, from the United States Embassy in Santiago to Cravath, Swaine & Moore, New York.

(2) Letter dated February 5, 1965, from Dr. Gustavo Serrano M. of Price Waterhouse Peat & Co., Santiago, to Cravath, Swaine & Moore, New York.

(3) United States Department of Commerce, Market for U.S. Products in Chile (December 1961).

(4) United States Department of Commerce, Licensing and Exchange Controls—Chile, World Trade Information Service, Part 2, No. 62-18 (May 1962).

SCHEDULE A. CHILE

Decree No. 1250 of October 20, 1964, concerning preference to be given to the National Metallurgical Industry in public bids

(Diario Oficial, November 18, 1964)

(Unofficial translation from Spanish)

(No. 1250)

SANTIAGO, October 20, 1964.

Today the following has been decreed: Whereas it is necessary to stimulate the development of the national metallurgical industry, for which purpose it is appropriate to broaden its internal market;

Acquisition of its products by the public sector will furthermore diminish the outflow of foreign exchange; and in view of:

The provisions contained in Articles 1, para. (b), and 4, Nos. 15 and 18, of the Decree with Effect of Law No. 88, dated May 12, 1953; Article 1 of Decree No. 1,272, dated September 7, 1961, which established the definitive text of the Law concerning Exports, Imports and International Currents;

I decree:

Article 1. In addition to those special provisions which may apply in each case, acquisitions of machinery, tools, equipment and appliances made by governmental and semigovernmental institutions shall be governed by this Regulation.

Article 2. Where equality of price and quality exists and the interests of the purchasing institution have been safeguarded, domestically produced goods shall be given preference.

For the purposes of price comparison, the amount of duties levied by the Customs Authorities shall be added to the price of the goods of foreign origin, even where the purchasing institution may bear such duties.

Article 3. If an offer for sale of goods of foreign origin is accepted, it must be stated that, in accordance with information received from the Department of Industry and Commerce, no adequate domestic production exists and that no offers for goods of domestic origin had been submitted, or the reasons for which offers that had been submitted were not accepted must be given.

Article 4. In the absence of an adequate domestic offer, preference shall be given to that foreign offer which, where equality of price and quality exists and the interests of the purchasing institution have been safeguarded, offers to integrate the largest proportion of its value with parts or elements of domestic production.

Article 5. The value of the foreign offer referred to in the previous article shall be only that part which relates to the price offered for machinery, tools, equipment or appliances. Thus, the price for assembling, for construction on the land and other work of a secondary nature shall be excluded.

Article 6. For the purposes of Article 4, a part or element of domestic production shall be understood to be a part or element in which the principal raw material originates in Chile and those with respect to which,

although they are of foreign origin, the aggregate value in Chile produced by their processing is at least equal to 50% of the price offered for the finished product. That percentage must be proven in the offer by the bidder.

Article 7. For the effects of controlling the quality and uniformity of specifications between parts and elements of domestic production and of foreign origin which must be integrated, the Quality Standards to be used for such control must be specified in the conditions of the bid.

Article 8. The foreign bidder whose offer may be given preference pursuant to Article 4 must guarantee the material, efficiency, production and quality of the final products of the entire integrated project.

To be recorded, communicated and published.

J. ALESSANDRI R.,
MANUEL PEREIRA Y.,

Minister of Economy, Development and Reconstruction.

What is transcribed is for your information.

Very truly yours,

CARLOS GREBE HERNÁNDEZ,
Undersecretary of Economy, Development and Reconstruction.

SCHEDULE B. CHILE

Circular No. 30 dated August 4, 1961, of the Ministers of Economy and the Treasury (Unofficial translation from Spanish)

Bearing in mind:

(a) The need for avoiding in so far as possible the outflow of foreign exchange from the country;

(b) The advisability of stimulating the development of national industry, improving its competitive position with relation to foreign industry;

(c) The intentions of the Government of acquiring the greatest volume of national products without detrimentally affecting the consumer;

(d) The importance of progressively substituting imported products with those of national origin;

The Government has decided to give the following instructions to State Enterprises [Empresas del Estado] concerning the handling of bids:

(1) In the case where there exists domestic production of the article required, bids should be limited to domestic suppliers.

(2) In such bids all quotations should be requested on the basis of the normal conditions of payment utilized by the Enterprise for domestic purchases, but in no case may payment be extended beyond date of delivery of the merchandise.

(3) Whenever performance of the preceding clause brings about financial difficulties to the purchasing Enterprise, it should advise the Budget Division of its additional financing requirements.

(4) The Enterprise should place special emphasis on the requirements of quality that the material must meet, indicating them with the greatest preciseness at the time that bids are called for.

(5) At the same time that bids are called for, the Enterprise should take the necessary steps to determine the international market prices for similar articles. In determining the price of the imported article, there should be taken into account, in addition to freight, insurance and taxes and import and export duties, all the expenses, such as import deposits, which a private individual would incur if he himself had effected the operation.

(6) Should the cost of the domestic product prove to be greater than that of the imported product, calculated on the basis established in paragraph No. 5, the Enterprise should send the record to the Budget Division. This organization will advise as to the financial implications of the transaction, with special relation to paragraph 3 of this

circular. The Budget Division will answer within a maximum of 10 days. In case that no answer is received within 10 days, the Enterprise will be free to request bids with the participation to foreign suppliers.

Should the Enterprise run into legal obstacles in the application of these instructions, it is requested that the Minister of Economy be advised concerning the particular point as soon as possible.

We communicate this to you with the certainty that it will be strictly observed by the Enterprise under your direction.

JULIO FILIPPI,
Minister of Economy.

EDUARDO FIGUEROA,
Minister of the Treasury.

COLOMBIA

(Member of LAFTA)

Article 21 of the Fiscal Code establishes the general principle that contracts shall be awarded only through public tendering (licitación pública). Direct contracting with a selected firm is authorized, however, in a number of cases. The most important is when the Council of Ministers has approved a declaration of urgency to the effect that there is insufficient time in the particular case to carry out the tendering procedure.

Various specific laws and decrees also permit deviation from the general principle. Decree No. 2880 of October 24, 1959 (Diario Oficial, November 10, 1959), relating to the National Supply Service, permits the use of private tendering (licitación privada) for the awarding of contracts which involve the procurement of goods or supplies for national defense or those which by virtue of their nature or the service for which they are intended are not appropriate for public tendering.

Also, Law No. 4 of September 30, 1964 (Diario Oficial, October 6, 1964), which relates to the awarding of public works contracts by the Nation, the Institutes, the decentralized public undertakings or establishments and other government and semi-government entities, authorizes public tendering to be dispensed with in the awarding of very small contracts (less than 200 pesos) and in cases of imminent paralysis or suspension of, or damage to, a public service. Those circumstances must be verified, however, by a declaration of the Council of Ministers, if national works are involved, and otherwise by a "motivated" resolution of the entity concerned.

Under Colombian law and practice the contract is awarded to the person whose bid is most advantageous (más conveniente), which is not necessarily the one that is lowest in price. Law No. 4 of 1964 provides that the Government will regulate the form in which, in addition to the amount of the bid, there should be weighed the equitable distribution of work, the technical capability, experience, organization, economic responsibility and the equipment and facilities of each bidder, in order that those factors may be taken into account in the award.

Colombian public contract law is characterized by two unusual features: (1) all contracts exceeding 100,000 pesos (about \$8,000) are subject to review and revision by the Council of State and (2) the complete text of all contracts must be published in the official newspaper.

The basic discrimination in favor of domestic bidders and domestic products stems from Colombia's import policy, which is aimed not only at conserving foreign exchange but also at protecting domestic industries. The policy applies as a rule to all Government and semi-Government agencies as well as to the private sector of the economy.

Imports are classified in three lists: (1) free, (2) prior license, and (3) prohibited. So-called free imports are considered essen-

tial and may be imported without quantitative restriction. The prior license list includes a vast number of items which may be imported only upon the issuance of a license by the Superintendency of Imports. They include iron and steel products and most machines and equipment. Prohibited imports are those that are considered luxuries and nonessentials or those that are produced in Colombia and in quantities sufficient to meet demand.

As an example, a Government agency can obtain a license to import foreign steel for a construction project only if it obtains a certificate from the Government steel plant that the particular steel product is not produced by it or is produced by it in quantities insufficient to meet domestic demand.

Various laws and regulations specifically discriminate against foreign firms and foreign products. Thus, Article 14 of Law No. 4 of 1964 provides as follows (unofficial translation from Spanish):

"The construction industry and the engineering and architectural callings in all their branches are activities useful and necessary for the economic development of the country, for which reason the State ought to stimulate and protect domestic natural and juridical persons devoted to them.

"The Government will regulate the form in which this protection and stimulus should be given and that which should be encompassed within the term 'domestic juridical persons' for those purposes."

Article 25 of Decree No. 2880 of October 24, 1959, requires persons who wish to enter into public supply contracts to be registered with the Supply Division of the National Supply Service and with the Ministries and Administrative Departments authorized to make special purchases. Registration requires compliance with the following prerequisites:

(1) Proof of registration in the Public Commercial Register (which, for a foreign corporation, entails almost the same formalities as the incorporation of a Colombian corporation);

(2) If a juridical person is involved, proof of its constitution, existence and legal representation; and

(3) Establishment of antecedents of good commercial reputation by means of a certificate of a bank or the National Federation of Distributors or the National Association of Manufacturers.

Upon being registered, the registrant, under the provisions of Article 26, must submit to the Supply Division and the Ministries and Administrative Departments price lists of the goods, or merchandise which it wishes to sell and must inform the same entities, in a permanent fashion, concerning variations in such prices. Compliance with the requirement is indispensable if the bids of the registrant are to be taken into account in any class of purchases.

Compliance with the foregoing requirements is obviously very difficult for any foreign corporation which has not already established a branch in Colombia and complied with the registration provisions.

Furthermore, Article 42 of the Fiscal Code provides that all contracts made by the Government in Colombia with foreign persons are subject to Colombian law and the jurisdiction of the Colombian courts and that such contracts must contain a clause stating that the foreigner subjects himself to the Colombian courts and laws and waives the right to make a diplomatic claim, except in case of denial of justice. Such a denial is not considered as existing if the remedies allowed by Colombia were available to the foreigner.

Principal sources

(1) Letter dated November 10, 1964, from the United States Embassy in Bogotá to Cravath, Swaine & Moore, New York.

(2) Vidal Perdomo, *Derecho Administrativo General* [General Administrative Law] (Bogotá 1961).

(3) Sarria, *Derecho Administrativo* [Administrative Law] (4th ed., Bogotá, 1962).

(4) United States Department of Commerce, Colombia: A Market for U.S. Products (1964).

(5) United States Department of Commerce, Foreign Trade Regulations of Colombia, Overseas Business Reports, OBR No. 64-3 (January 1964).

MEXICO

(Member of LAFTA)

Article 134 of the Mexican Constitution provides as follows (unofficial translation from Spanish):

"All the contracts which it is necessary that the Government enter into for the execution of public works will be awarded by competitive bidding through notice in order that proposals may be submitted in sealed envelopes which will be opened in public."

In practice, however, open public tendering is used only infrequently, largely because of the absence of adequate implementary legislation. Most contracts are awarded through private invitations for offers or by direct negotiation.

According to the U.S. Embassy in Mexico, there is a wide divergence among government agencies in the procedure for inviting bids, which, by virtue of the registration requirements described below, is almost never done by advertisement. Some agencies inform all registrants of a proposed contract or order. Others select only a few registrants and give them invitations to bid. In either case, once the bids have been received, the contracting authority is not required to accept the lowest bid.

Under the provisions of the Presidential Decree of January 13, 1959 (Diario Oficial, January 29, 1959), an unofficial translation from Spanish of which is attached hereto, all Mexican ministries and departments of state, decentralized federal entities and enterprises with state participation are required generally to acquire goods, equipment, materials and merchandise that are of Mexican origin and are permitted to acquire articles of foreign origin only in exceptional cases. Imports of foreign origin are permitted only in cases in which the material is unavailable in Mexico or is not available in sufficient quantity or satisfactory quality.

The Decree establishes a Committee on Government Imports composed of the Director General of the National Foreign Trade Bank as Chairman and representatives of four ministries and the Bank of Mexico for the purpose of screening all requests for imports by government agencies. Only those imports which are authorized by the Committee are permitted.

National credit institutions which extend financial assistance, either themselves or through guarantees of the Federal Government, to state and municipal governments which are intended for acquisition of goods of foreign origin are required by Article 11 of the Decree to prescribe as a condition precedent that the provisions of the Decree are satisfied.

Under the provisions of the Presidential Decree of April 27, 1962 (Diario Oficial, May 22, 1962), all natural and juridical persons which desire to enter into public works and supply contracts with the Federal Government, must register once a year in the Register of Contractors and Suppliers of the Federal Government maintained by the Department of National Property (Secretaría del Patrimonio Nacional).

In order to be registered, foreign corporations must obtain the authorization of the Department of Industry and Commerce after complying with the following requirements:

(1) Proof that they have been legally constituted according to their domestic laws.

(2) Proof that their Articles of Incorporation and other constitutive documents are not contrary to the precepts of public order established by Mexican laws.

(3) Registration in Mexico as a foreign corporation or the appointment of an agent in Mexico.

Foreign corporations must also comply with other requirements. For example, in an announcement issued in the Fall of 1963 by the Department of Public Works outlining procedures for qualifying for bidding for contracts for machinery and other equipment during the remainder of 1963 and 1964, the following requirements were specified:

(a) Registration in the Public Commercial Register of the City of Mexico (which entails compliance with the same requirements or those for registration in the Register of Contractors and Suppliers) as well as registration in the latter Register.

(b) Permission of the Secretary of Foreign Relations to operate in Mexico, in accordance with Article 33 of the Law of Nationality and Naturalization, which requires an agreement by the corporation to consider itself as Mexican for the purposes of any contract awarded to it and an undertaking not to invoke the protection of its government in any dispute.

(c) Compliance with Mexican legal formalities for the appointment of any agent. To be effective the power of attorney must be legalized and stamped and recorded in the Public Commercial Register of the City of Mexico. If the agent is a foreigner, he must demonstrate his legal status in Mexico in accordance with the procedures established by the General Law of Population.

The situation is summarized in the following excerpt from a letter dated February 15, 1965, from the United States Embassy in Mexico:

"It is believed that the registry of the Secretariat of National Property consists exclusively of persons or companies resident in and/or organized under Mexican law. Foreign companies are represented on the list through local firms organized in accordance with Mexican law and domiciled in Mexico. No foreign companies domiciled outside Mexico are on the registry. Foreign firms wishing to be registered must apply through a Mexican firm (usually a subsidiary or affiliate) or buy into a local firm which is or can be registered.

"Having one's name on the registry merely permits a supplier or contractor to compete with other firms. Except where international contracting requires the receipt of competitive bids, the letting of contracts is usually handled on a restricted basis, with only domestic firms entering the bidding."

Principal sources

(1) Letter dated February 15, 1965, from the Commercial Officer, United States Embassy in Mexico, to Cravath, Swaine & Moore, New York.

(2) Foreign Service Despatch No. 684 dated January 27, 1959, from the United States Embassy in Mexico, entitled "Mexican Government Entities Required to Purchase Mexican Goods in Preference to Imports."

(3) Foreign Service Despatch No. 1104 dated May 19, 1959, from the United States Embassy in Mexico, entitled "Government Controls; Establishment of Register of Suppliers and Contractors to the Mexican Federal Government."

(4) Foreign Service Despatch No. 1157 dated May 29, 1959, from the United States Embassy in Mexico, entitled "Data Regarding Conditions and Requirements Confronting Foreign Contractors and/or Engineering Firms Desiring to Operate in Mexico."

(5) Foreign Service Despatch No. 952 dated February 29, 1960, from the United States Embassy in Mexico, entitled "Procurement Policies and Practices of Foreign Governments."

(6) Airgram No. A-430 dated October 8, 1963, from the United States Embassy in Mexico, entitled "Mexican Government Invitations to Bid—Procedures for Qualifying."

(7) United States Department of Commerce, Establishing a Business in Mexico, Overseas Business Reports, No. OBR 64-82 (July 1964).

(8) Gabino Fraga, *Derecho Administrativo* [Administrative Law] (9th ed., México, 1962).

(9) Marentes, *Contratos Administrativos* [Administrative Contracts] (México, 1962).

MEXICO

Decree of January 13, 1959, providing for the establishment of a Committee of Imports of the Public Sector

(Diario Oficial, January 29, 1959)

(Unofficial translation from Spanish)

THE EXECUTIVE,

DEPARTMENT OF THE INTERIOR.

Decree: for the establishment of a Committee on Imports of the Public Sector, which shall be in charge of resolving on the exceptions for import or purchase in the country of articles of foreign origin which the Ministries and Departments of State, decentralized organizations and enterprises with State participation must make, in the discharge of their duties, of goods, equipment, materials and merchandise.

In the margin, a seal with the National Coat of Arms, which reads: Mexican United States. Presidency of the Republic.

To all Ministries and Departments of State:

Whereas purchases of articles of foreign origin made by the entities of the public sector have rapidly increased to the point where they represent a high proportion of the total imports of the country;

Acquisitions of domestic products by the State, the decentralized organizations and the enterprises with State participation must contribute to the stimulation of internal production and to the development of the domestic market;

The scattering of the purchases of the public sector and, in particular, the lack of uniformity in demand and supply vis-a-vis foreign countries limit the buying capacity and affect the negotiation possibilities of the country in foreign markets;

The absence of a mechanism which would permit an adequate channelling of imports of the public sector has to date prevented an adjustment of such purchases to the real needs and to the financial potential of the State;

In order to have acquisitions of the public sector stimulate to a larger extent the domestic production and keep them from exercising unjustified pressures on the trade balance, it is imperative to use flexible instruments which will contribute to a better use of available foreign exchange;

The strengthening of the domestic economy demands, not only the ever increasing cooperation by individuals, but the better organization and larger responsibility of the State:

I have seen fit to enact the following

Decree:

1. In the discharge of their duties, the Ministries and Departments of State, decentralized organizations and enterprises with State participation must, in general, acquire goods, equipment, materials and merchandise produced in the country. Articles of foreign origin may be acquired only in exceptional cases, provided that the requisites established in this Decree and applicable both to direct imports and to internal purchases of articles of foreign origin are fulfilled.

2. In order to study and resolve on the exceptional cases referred to in Item 1, there shall be created a Committee on Imports of the Public Sector presided over by the Director General of the National Foreign Trade Bank and consisting also of a representative

of each of the following entities: Ministry of Foreign Affairs, Ministry of Finance and Public Credit, Ministry of National Property, Ministry of Industry and Commerce and the Bank of Mexico, S.A.

3. The Ministries, Departments, decentralized organizations and enterprises with state participation must request from the Committee authorization for direct imports and local purchases of articles entirely of foreign origin, or of articles assembled, bottled or packaged in Mexico which, in the opinion of the Committee, contain a high proportion of foreign products.

Said information shall be submitted to the National Foreign Trade Bank and contain the following data:

(a) Amount of imports proposed to be made, including purchases to be made within and outside of the country of articles of foreign origin described under Item 3, as well as their volume or the number of units which it is proposed to import;

(b) Name and firm name of suppliers, indicating, where applicable, existing previous commercial transactions and the reasons for which a specified supplier is preferred;

(c) Technical and commercial specifications of the products;

(d) Chronological account of the dates of purchase, deliveries of the articles and their utilization;

(e) Unit prices of the products;

(f) Country or countries of origin of imported goods;

(g) Forms and terms of payment;

(h) Financing and sources of payment for the purchases;

(i) Proof, at the discretion of the Committee, for the effects of paragraph (e) of Item 4, that the articles which it is proposed to import are not produced in the country or are produced in a quantity which is insufficient, or a quality which is unsatisfactory, for supplying the national market;

(j) Reasons justifying the need for direct imports or purchases in the country of articles of foreign origin.

4. The Committee shall decide on the applications which are presented to it, taking into account, in addition to the requisites listed in the preceding item, the following:

(a) General trends of production, employment and prices in the country and abroad;

(b) Foreign trade trends and the commercial policy of the country;

(c) The balances of trade and payments;

(d) The possibilities of effecting offsetting barter or exchange transactions and the arrangements or measures of a commercial or financial character which the Federal Government may be projecting or negotiating with other countries;

(e) The potential production and supply, by domestic companies, of the articles which form the subject of the petition;

(f) The capacity for payment and financial situation of the Federal Government and of the public sector in general;

(g) The availability of assets in the possession of entities which form part of the public sector, as well as the possibility of a better use of said assets, especially where capital assets are involved;

(h) The productivity of the investments, their economic and social importance, and the degree of urgency of making the purchases for which authorization is requested.

5. For the purpose of facilitating as much as possible the supply with products of foreign origin to the department, decentralized organizations and enterprises with State participation, and so that the procedure established by this Decree may be as effective as it should be, import applications shall be decided according to the following system:

(a) The applications must be made on special forms which the Committee will approve for this purpose and which the National Foreign Trade Bank will distribute;

(b) The Committee shall make its decisions and shall notify the applicants thereof within 15 days, counting from the date on which the applications are submitted or, where applicable, from the time at which the respective file may have been duly completed, in the discretion of the Committee;

(c) The decisions of the Committee shall be made by a majority of votes. In case of tie, the Chairman will have the deciding vote;

(d) The Committee shall meet as frequently as it may deem convenient to fulfill its functions with the highest degree of efficiency, and shall establish the working procedures and operating rules that it may deem most expeditious and efficient;

(e) The Chairman of the Committee shall have the power to convoke the Committee as often as may be necessary and must propose the administrative organization and the rules and procedures required for effective compliance with this Decree.

6. Where imports included within the investment program of the public sector are involved, once the steps referred to in the previous articles have been concluded, the National Foreign Trade Bank must obtain from the Department of the Presidency a confirmation to the effect that said investment program has been approved.

In every case in which transactions involving the acquisition of foreign products are authorized, these transactions must be carried out through, and with the intervention of, the National Foreign Trade Bank, which shall be the only institution authorized to open and establish credits and to participate in the resulting financial arrangements.

7. The Ministry of Finance and Public Credit and, where applicable, the Ministry of National Property shall not authorize within their respective jurisdictions expenditures for the acquisition of goods which the Agencies of the Federal Executive or decentralized organizations or enterprises with State participation may acquire, if the requisites of this Decree have not been previously met.

The Ministries mentioned in the preceding paragraph as well as the Department of the Presidency must contribute, through the functions of planning, coordination and supervision legally vested in them, to the accomplishment of an application of this Decree to the fullest extent.

Customs offices shall not process any customs declaration for the import of goods acquired abroad until the interested agency submits to them proof, issued by the National Foreign Trade Bank, of the fact that such import has been authorized.

8. The national credit institutions shall make financings which they grant to the Federal Government, to decentralized organizations and enterprises with State participation, and to accredited individuals, or to associations and corporations of any kind formed by them, subject to the terms of this Decree, in so far as they may cause purchases of articles of foreign origin.

9. The Cabinet Ministers, Heads of Departments, counsellors, commissioners, directors, managers, officials and employees of the decentralized organizations, national credit institutions and other enterprises with State participation shall be directly responsible for non-compliance with the terms of this Decree, within their respective spheres of action.

The Committee concerned shall be informed of all cases of non-compliance referred to in the preceding paragraph, and shall propose to the President of the Republic the measures which it considers appropriate to ensure complete compliance with this Decree.

10. The preceding provisions shall be applicable also in the case of direct imports or purchases in the country of articles of foreign origin made by the Federal Govern-

ment, decentralized organizations and enterprises with State participation within the free perimeters or zones.

11. In order that the National Credit Institutions may grant financings, either of their own or guaranteed by the Federal Government, to the Governments of the States and Municipalities, which are intended for the acquisition of goods of foreign origin, they must demand as a prior requisite that the rules established in this Decree are satisfied.

12. The National Foreign Trade Bank shall be in charge of the preparation and management of the budget of the Committee.

The annual budget of expenditures as well as any amendments thereto shall be submitted, after authorization by the Committee, for the approval of the Ministry of Finance and Public Credit, which shall propose to the President of the Republic the form in which the expenses brought about by the application of this Decree shall be covered.

Done in the Palace of the Federal Executive, in Mexico, D.F., on January 13, 1959, The President of the Republic, Adolfo Lopez Mateos. [Here follow the signatures of fifteen Ministers and three Chiefs of Departments.]

PERU

(Member of LAFTA and GATT)

Peru has no central procurement agency for government purchases, and the various government industries, agencies, and entities are generally free to purchase their own requirements. Competitive bidding is required where possible, but there are many exceptions.

The general regulations for bidding and contracts for public works were promulgated by Supreme Decree No. 36 of October 6, 1961. Article 4 provides for a Register of Public Works Contractors in which contractors are classified according to financial capacity. Registration entails compliance with numerous formalities and only those who are registered may submit bids for most public works contracts. All invitations for bids must be published in the Official Gazette ("El Peruano") and in other media. Contracts usually are awarded to the lowest bidder.

Article 55 of the Industrial Development Law (No. 13270 of November 30, 1959) contains the following preferential provisions (unofficial translation from Spanish):

"The Government, branches of the public administration, including quasi-governmental, municipal, and benevolent organizations, and any institution receiving financial support from the Government, may not buy foreign articles similar to those manufactured in the country. If domestic production is not sufficient, acquisition of imported articles will be in order, but only for the balance [required], which will be authorized in each case by the Bureau of Industries and Electricity [of the Ministry of Development and Public Works]."

Article 17 of the Peruvian Constitution of 1933 provides as follows (unofficial Pan American Union translation from Spanish):

"Art. 17. Commercial companies, national or foreign, are subject, without restrictions, to the laws of the Republic. In every state contract with foreigners, or in the concessions which grant them in the latter's favor, it must be expressly stated that they will submit to the laws and courts of the Republic and renounce all diplomatic claims."

Principal sources

(1) Letter dated February 10, 1965, from Dr. Luis Echecopar Rey, attorney of Lima, Peru, to Cravath, Swaine & Moore, New York.

(2) Letter dated November 12, 1964, from the American Republics Division, Bureau of International Commerce, United States Department of Commerce, to Cravath, Swaine & Moore, New York.

(3) United States Department of Commerce, Market for United States Products in Peru (July 1961).

(4) United States Department of Commerce, Establishing a Business in Peru, World Trade Information Service, Part 1, No. 62-78 (1962).

URUGUAY

(Member of LAFTA and GATT)

The basic Uruguayan law concerning the awarding of public contracts is Law No. 9,542 of December 31, 1935, as amended by Law No. 11,185 of December 20, 1948. The 1935 Law establishes public invitation for offers (*licitación pública*) as the basic method for the awarding of contracts by the Government and the autonomous entities and decentralized services relating to public works or the investment of funds (except where the amount involved is small). If the contract does not relate to a public work or the investment of funds or if it falls within one of the special exceptions provided for by the Law, then the contracting authority may award the contract by direct negotiation.

The 1935 Law also recognizes the use in some cases of the restricted invitation for offers method (*licitación restringida*), in which invitations for tenders are issued only to selected firms.

In the case of both public and restricted tendering, the contracting authority has the duty of accepting the offer which it deems the most advantageous (*más ventajosa*), which is not necessarily the one which is lowest in price. Moreover, if all the offers are deemed unsuitable, the contracting authority can reject all of them and order a new invitation for offers.

Law No. 11,232 of January 8, 1949, specifically provides that in all public works the acquisition of all materials, apparatus, fixtures, installations, etc., and the procurement of services therefor shall be effected by means of a public invitation for offers, except as provided in the 1935 Law and with three further exceptions.

Article 374 of Law No. 13,032 of December 7, 1961 (*Diario Oficial*, December 22, 1961), contains the following preferential provision (unofficial translation from Spanish):

"In all tenders or direct purchases to be performed by the Executive Power, Departmental Governments, Autonomous Public Enterprises and the Decentralized Public Service Departments, preference shall be given to locally produced goods, products, machinery, equipment and articles, always provided that this procedure should not become inadvisable as a result of duly justified technical considerations or that their price does not exceed by more than 40% similar offers from foreign sources.

"The same procedure shall be followed in case that only part or parts of the locally produced goods, products, machinery, equipment or articles, offered by the bidders, were manufactured in the country. If this should occur, the tolerance in the price margin shall only be calculated on said part or parts.

"The protection accorded by this article is with regard to the surcharges which the Administration might impose on [imported] goods, products, machinery and articles, in use of the faculty granted to it under the Law of December 17, 1959."

Principal sources

(1) Sayagués, Enrique, *Tratado de Derecho Administrativo* [Treatise on Administrative Law] (Montevideo, 1953).

(2) Information supplied by the Bureau of International Commerce of the United States Department of Commerce.

VENEZUELA

Venezuela has no general statute governing public contracts and there is no central procurement agency. The various ministries and agencies and autonomous entities and

establishments generally make their own purchases. Public bids tenders are usually invited by advertisement for supplies and materials and for the execution of government works in accordance with the requirements of Article 427 of the Finance Law of March 17, 1961 (*Gaceta Oficial*, March 17, 1961). Article 427 exempts from those provisions contracts involving national defense, those relating to technical services and those not amounting to more than 10,000 bolívares (about \$2,200 at the free rate in January 1965).

Article 428 contains the following provision concerning the awarding of contracts (unofficial translation from Spanish):

"The award shall be made to the bid which offers bigger advantages [*mayores ventajas*], these conditions being stated in the record. If it is determined that none of the bids fulfills the required conditions, the bidding shall be declared void."

The various ministries and agencies generally require that local manufacturers or dealers and agents of foreign suppliers who wish to qualify as bidders must first register. In order to be registered they must, among other things, establish that they are current in the payment of Venezuelan taxes and that financially and technically they are qualified to participate in government bidding.

Under the rules and regulations for bidding on government contracts for public works adopted by Resolution No. 623 of August 12, 1964, of the Ministry of Public Works (*Gaceta Oficial*, August 13, 1964), all contracts must be let through public bidding (*licitación pública*), except those amounting to not more than 1,000,000 bolívares (about \$220,000 at the free rate in January, 1965). Exceptions are also provided in the case of emergency works necessitated by public calamities, such as earthquakes and floods, and those involving state security or national defense, subject to the approval of the Cabinet. The Minister of Public Works is also authorized to dispense with the requirement of public bidding in situations which, according to his determination, affect the public or social interest.

Subject to the applicability of the other exceptions, if the amount of the contract is more than 200,000 bolívares (about \$44,000 at the free rate in January 1965) but less than 1,000,000 bolívares, it must be awarded by means of private bidding (*concurso privado*) with the participation of at least three firms enrolled in the Register of Public Works Contractors.

The rules and regulations provide for a Tender Commission (*Comisión de Licitación*) for each contract for the purpose of selecting eligible bidders from among those enrolled in the Register, the filing of bids, the selection of the successful bidder and the awarding of the contract. Provision is made for the rejection by the particular Commission of unqualified bids. Of the remaining bids, the contract must be awarded (Article 34) to the bid determined to be, all things considered, the most beneficial (*más conveniente*) to the interests of the Nation. Article 35 requires the Commission, in making that determination, to take into account not only the lowest price but also the experience, technical capability and economic status of the bidder, thereby permitting the exercise of considerable discretion and possible discrimination against foreign bidders.

Article 53 contains detailed provisions as to the prerequisites for enrollment in the Register of Public Works Contractors maintained by the Ministry.

Obstacles are placed in the way of foreign bidders not only by the prior registration requirements of the various ministries and agencies but also by the fact that all firms submitting bids on government contracts must be domiciled in Venezuela. In the case of foreign corporations, that requirement entails domiciliation under the

provisions of Articles 354 through 358 of the Venezuelan Commercial Code. Those provisions require, among other things, the filing of certified copies of the articles of incorporation (or corresponding documents) and the by-laws of the foreign corporation and the translation into Spanish and publication of the articles of incorporation, as well as the appointment of a representative in Venezuela with full powers to act in Venezuela for the foreign corporation, except the power to dispose of the business of the corporation.

Accordingly, foreign corporations which are not already registered with a ministry or agency and are not domiciled in Venezuela are at a substantial disadvantage, particularly if the period allowed for the submission of bids is relatively short.

The protection of existing national industry and the encouragement of new industries is the declared policy of the Venezuelan Government. In furtherance of that policy, the "Buy Venezuelan" Decree of January 9, 1959 (Decree No. 512, *Gaceta Oficial*, January 13, 1959), a copy of an unofficial translation from Spanish of which is attached hereto, requires all government departments and agencies and autonomous entities and establishments to purchase Venezuelan products, provided the domestic price is not over 25% greater than that of the imported product.

Principal sources

(1) Foreign Service Despatch No. 328 dated November 3, 1961, from the United States Embassy in Caracas, entitled "EXPORT: Government Tenders".

(2) Airgram No. A-171 dated September 18, 1964, from the United States Embassy in Caracas, entitled "Rules and Regulations for Bidding on Government Contracts for Public Work".

(3) Airgram No. A-217 dated October 7, 1964, from the United States Embassy in Caracas, entitled "Venezuelan Law Governing Bids on Government Contracts".

(4) Letter dated November 12, 1964, from Bureau of International Commerce, United States Department of Commerce, to Cravath, Swaine & Moore, New York.

(5) United States Department of Commerce, Venezuela: A Market for U.S. Products (1964).

VENEZUELA

Decree No. 512 of January 9, 1959

(*Gaceta Oficial*, January 13, 1959)

(Unofficial translation from Spanish)

The Government Junta of the Republic of Venezuela, in exercise of the authority conferred upon it by its Constitutive Act, in Council of Ministers,

Whereas one of the major obstacles for our industrial and economic development consists in the insufficient capacity of the internal market;

Whereas a large part of the national consumption is vested in the Public Administration; and

Whereas as part of the protection policy which the National Government has developed in favor of the production of the country, the adoption of measures to channel the purchases of the Public Administration towards the market of national products is necessary;

Decrees:

Article 1. The Public Administration shall not be allowed to acquire goods abroad at prices which, added to the corresponding duties which regular import causes, plus a surcharge up to 25 percent ad valorem, will be higher than, or equal to, the prices paid for similar articles or adequate substitutes in the internal market. Prices for the goods to which this article refers shall be determined in the corresponding port of entry into the country.

Article 2. Acquisitions of nationalized goods shall be subject to the provisions of

the preceding article. In that case, only the surcharge provided for shall be applied to the price of said goods in the internal market.

Article 3. The Autonomous Official Institutes and Establishments of the Public Administration shall expressly be subject to the provisions of this Ordinance.

Article 4. The Industrial Council shall determine the goods to which this Decree shall be applied and the surcharges in each case.

Article 5. The provisions of this Decree shall not be applicable to cases in which the acquisition of goods produced abroad will be a particular necessity in the judgment of the Ministry of the branch in question. For this purpose, the Ministry which may have ordered or authorized the acquisition must state to the office of the Controller of the Nation the reasons on which it bases its resolution.

Article 6. When inspecting ["Al fiscalzar"] the acquisition of goods pursuant to the Law, the Office of the Controller of the Nation shall apply the provisions contained herein.

Article 7. Decree number 131 dated May 20, 1949, is hereby repealed.

Article 8. This Decree shall become effective 120 days after its publication.

Palace of Miraflores, Caracas, the ninth of January of nineteen hundred fifty nine. The 149th Year of the Independence and 100th Year of the Federation.

The Government Junta,

EDGARD SANABRIA,
President.

CENTRAL AMERICAN COMMON MARKET (CACM)

The five Central American countries—Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua—are parties to a number of agreements which comprise or relate to the Central American Economic Integration Program. The two main agreements—the General Treaty of Central American Economic Integration signed on December 13, 1960, and the Multilateral Treaty on Free Trade and Central American Economic Integration signed on June 10, 1958—deal specifically with eliminating trade barriers within the group (the "common market" or CACM), and generally with the whole problem of economic integration.

Article XVI of the General Treaty contains the following provisions with regard to national treatment for construction enterprises (unofficial United Nations translation):

"The Contracting States shall grant national treatment to enterprises of other Signatory States engaged in the construction of roads, bridges, dams, irrigation systems, electrification, housing and other works intended to further the development of the Central American economic infrastructure."

Article III of the General Treaty contains the following provision with regard to national treatment of goods (unofficial United Nations translation):

"Goods originating in the territory of any of the Signatory States shall be accorded national treatment in all of them and shall be exempt from all quantitative or other restrictions or measures, except for such measures as may be legally applicable in the territories of the Contracting States for reasons of health, security or police control."

To encourage investment, the concept of "integrated industries" has been developed. Integrated industries are regulated by the Multilateral Agreement of June 10, 1958, which was validated by Article XVII of the General Treaty. An integrated industry is one that, even at minimum capacity, must have access to the entire Central American market in order to operate under reasonably competitive conditions. An integrated industry is granted a number of special incentives. Article VII provides in part that "the Government and other State bodies shall also

give preference in their official imports to the products of the Central American integration industries."

Like LAFTA, CACM has an Executive Council consisting of a representative from each member country, and a permanent secretariat that carries out the administrative functions. The latter is under the direction of a Secretary General. Unlike LAFTA, the supreme authority of CACM is the Central American Council, consisting of the Ministers of Economy of the five member countries.

Principal sources

(1) Association of the Bar of the City of New York, Committee on Foreign Law, Economic Integration in Latin America, 17 Record (Supplement, June 1962).

(2) Business International, Latin America's Merging Market: The Challenge of Economic Integration (New York, 1964).

(3) Duvall, Latin American Integration Developments, 9 International and Comparative Law Bulletin 34 (December 1964) (published by Section of International and Comparative Law, American Bar Association).

(4) Nattier, The Central American Program of Economic Integration, in Surrey and Shaw (eds.), A Lawyer's Guide to International Business Transactions (Philadelphia, 1963).

(5) Pincus, The Central American Common Market (U.S. Department of State, Agency for International Development, Washington, D.C., 1962).

(6) United Nations, Multilateral Economic Cooperation in Latin America, Vol. 1: Text and documents (1962).

STRONG SUPPORT FOR ACTION TAKEN BY OUR GOVERNMENT IN VIETNAM AND IN THE CARIBBEAN OPPOSED BY CERTAIN ELEMENTS

The SPEAKER pro tempore. Under previous order of the House the gentleman from Florida [Mr. ROGERS] is recognized for 60 minutes.

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, 5 days ago today, the House of Representatives indicated its strong support for the action being taken by our Government in the Vietnam situation, as well as in the Caribbean, when we adopted legislation appropriating additional funds for the conduct of military operations in these two areas of the world. Now that the Congress is again on record in support of the President and our military leaders, it would be well to take note of some opposition to this course which became evident during the spring recess, while Members were away from Washington.

On April 17, 1965, a "march on Washington" was staged to protest our Vietnam policies and was attended by thousands of college students and others saying they are in opposition to the U.S. aggression in Southeast Asia.

While some of those in attendance may well hold sincere beliefs that U.S. action is wrong, let no one believe that this demonstration was spontaneous or merely the identical reaction of an impartial group of young American students. The evidence clearly indicates that this march

was fostered and promoted by the Communist elements in this country which are hard at work to undermine the efforts of our Government in the conduct of our foreign affairs.

Six groups, in addition to the Communist Party, U.S.A., seem to have been most interested in the April 17 demonstrations. They are the Progressive Labor Party; the May 2d Movement; the Committee for Nonviolent Action; the Socialist Workers Party; the Workers World Party, and the Students for a Democratic Society.

Some members of these organizations and others who took part in the Washington demonstration, do so from personal conviction and not as followers of the Communist Party line. But that they do lend their support to the efforts of the Communists is cause for concern.

Most of those participating in the Washington demonstration were college students. It would be well for every parent who has a son or daughter in college to advise their children of the real purposes they serve when they participate in such activities. Too often the parents are not familiar with the activities of their youngsters while at college. And many students apparently feel that if they are in agreement with the aims of some organization they can join in activities sponsored by these organizations, without adequate study of the real motives of these acts and their possible consequences.

The organizations which participated in the April 17 march on Washington deserve careful study.

The organization, Students for a Democratic Society, was the prime mover in the April 17 demonstration in Washington, as well as the Easter vigil at the L.B.J. ranch in Texas.

The society is the youth affiliate of the League for Industrial Democracy, the successor to the Inter-Collegiate Socialist Society which was organized in 1905 with the purpose to mobilize college professors, students, and graduates to teach socialism and collective ownership of property. The National Office of the Students for a Democratic Society is located at 119 Fifth Avenue, New York City, and the organization claims a membership of 1,700 in 44 chapters.

The society has demonstrated that it will render support to or receive support from any organization, subversive or otherwise, which has common goals with the society.

As of February 24, 1965, Charles Clark Kessinger, Jr., was national secretary of the society. In 1963 he was a student of the University of Wisconsin and made arrangements for the guest appearance of Herbert Aptheker, a member of the National Committee of the Communist Party, U.S.A.

On February 20, 1965, the society cosponsored and participated in demonstrations in Chicago and at the White House, protesting the war in Vietnam. On March 5, they cosponsored a demonstration in front of the Armed Services Recruiting Station at Philadelphia. On April 5, they picketed a lecture delivered at Johns Hopkins University by Presidential Adviser McGeorge Bundy. And,

on April 17, in Washington and Johnson City, Tex., they demonstrated again against U.S. policies in Vietnam.

It is my understanding that they soon will bring a number of university faculty members to Washington to challenge administration officials to a debate on Vietnam policy.

Progressive Labor Party is another group participating in current demonstrations, including the one of April 17. It is extremely militant, along the Marxist-Leninist or Chinese Communist Party lines. Their magazine, *Challenge*, of February 9, 1965, said:

If we demonstrate, if the organizations we belong to demonstrate, if we show that we will not support it—if we demand in one voice that the war be ended—then Johnson will not be able to get away with it.

We can stop the war. For our own sake, we must. End the war in Vietnam. Bring the troops home.

This group was formerly known as the Progressive Labor movement, formed in 1962 by dissident elements of the Communist Party, U.S.A., led by Milton Rosen and Mortimer Scheer, both of whom held positions in the New York district of the Communist Party, U.S.A. Rosen is president and Scheer is a vice president, along with William Epton. Epton, a former Communist Party, U.S.A., member, left the party because he felt it was no longer a revolutionary power. He was instrumental in forming another Progressive Labor Party front group, the Harlem Defense Council, during the summer of 1964. He was arrested and charged with advocacy of criminal anarchy.

In addition to the *Challenge*, the Progressive Labor Party also publishes the magazine *Progressive Labor*, 500 copies of which are reportedly sent to the People's Republic of China each month. A former editor of this publication has stated that organization members have been involved in trips to Cuba in violation of a State Department ban on travel to that Communist country.

The May 2 movement also took part in the April 17 Washington demonstration. It was organized in the spring of 1964 and planned and executed a demonstration in New York City in that year demanding the withdrawal of U.S. troops from Vietnam. Currently, the movement is attempting to influence students to demonstrate for more freedom on various college campuses. The national chairman is Russell Stetler, a student at Haverford College, Pennsylvania.

This group has a film entitled "Heroic Vietnam 1963," which was reportedly made by the Vietcong and smuggled into the United States from Cuba. It contains anti-U.S. propaganda and has been shown recently at Drew University, University of Cincinnati, University of Pennsylvania, and Pennsylvania State University. Of the May 2 movement, Progressive Labor has said:

The role of the May 2 movement is to oppose American imperialism throughout the world.

According to the February 8, 1965, issue of *Spark*, a newspaper issued by the Progressive Labor Party on the west coast, the May 2 movement is circulating

and obtaining signatures to a declaration from young men of draft age, stating the "U.S. participation in the war is for the suppression of the Vietnamese struggle for self-determination and national independence. We herewith state our refusal to fight against the people of Vietnam." Also in February, a panel discussion was held at the Student Union Building, Michigan State University, sponsored by the Young Socialist Club where Stetler stated that the May 2 movement had obtained hundreds of signatures on one campus alone on a petition that the students would not allow themselves to be drafted for a war in Vietnam.

Committee for Nonviolent Action is another group which has been most active in protesting U.S. action in Vietnam. It has been supported by the Progressive Labor Party. It was formed in 1957 and its leaders and most of its members reportedly are ardent pacifists. While nonviolent action is the stated effort of this organization, it is interesting to note that its national chairman, A. J. Muste, was an observer at the 16th National Convention of the Communist Party, U.S.A. in New York City in 1957. He has long fronted for Communists and has in the past circulated an amnesty petition calling for the release of Communist leaders convicted under the Smith Act.

This committee also sponsored the Quebec-Guantanamo Walk for Peace which culminated in Florida in 1964, when Government authorities seized the boat which this group intended to use to travel to Cuba. The group distributes literature calling on individuals to quit their jobs in war industry, refuse to serve in the Armed Forces, refuse to pay part of their income taxes for defense and especially to speak to any and every organization through which they can gain a platform for greater publicity. They are also distributing a document entitled "An Appeal to the Conscience of America," which claims that torture is used by our side in Vietnam, that the Vietcong are not supplied by the North Vietnamese or Red China.

Socialist Workers Party also took part in the April 17 demonstration in Washington. They follow the Trotsky line and their youth branch is known as the Young Socialist Alliance. Both have manifested their opposition to U.S. presence in Vietnam, in their publications and on college campuses and in demonstrations. They were active in a march in Boston earlier this year, protesting the Vietnam policies of this Government and also helped in the promotion of the April march in Washington. Three national leaders of the Socialist Alliance toured college campuses in the East, South, Midwest, and Far West to urge students to join the march.

Workers World Party, and its youth affiliate, Youth Against War and Fascism, have also been active. This group was formed in 1959 from a splinter group that left the Socialist Workers Party. It reportedly has branches in Buffalo, Youngstown, Seattle, and Los Angeles and maintains headquarters in New York City. They had a delegation in Wash-

ington to participate in the April demonstration.

The Communist Party, U.S.A. exhibited its extreme interest in the April 17 demonstration by front page articles devoted to the event which appeared in the *Worker*. In a directive to all party districts dated March 31, 1965, the Communist Party, U.S.A. national office described the march as the "major point of concentration" in the campaign in the withdrawal of U.S. forces from Vietnam. The party districts were told that the main task was to get maximum participation in the demonstration. An estimated 15,000 individuals participated in this demonstration, including known Communist Party members from throughout the Nation. They included Arnold Johnson, public relations director and Michael Zagarell, National Youth Director of the Communist Party, U.S.A. and George Meyers, a member of the party's national committee. At the time of the Washington march, in Johnson City, Tex., 45 individuals, many identified as past or present members of the Communist Party, maintained a vigil at the President's ranch.

While all of these groups except the Communist Party itself include among their members and followers individuals who are undoubtedly well-meaning, the facts are indisputable that the denunciation of present U.S. policy in Vietnam is in accord with the Communist objectives and contrary to the best interests of the United States.

It is paradoxical that the followers of these organizations apparently place a greater trust in the propaganda emanating from Communist sources than they do in the policies of their own country. It is alarming that so many young people from our colleges could be gathered together for these demonstrations without realizing they are being used by the forces which would see us destroyed.

Sincere Americans have every right to protest any action of their Government with which they disagree. We live in a free country where every citizen has that right. Nor are we insinuating that every organization or individual who protests is an agent of the Communist Party. But knowingly or not, they are participating side by side with Communists working to bury us. That they are being used by agents of the Communist movement is apparent, and every effort must be made to acquaint the American people with the real motives behind large group actions against U.S. policies in Vietnam. No doubt we will soon see similar demonstrations regarding our stand in the Caribbean, and elsewhere, any time we stand up to Communist threats anywhere in the world. We must identify those behind these movements, call them to the attention of every citizen and make every effort to acquaint American students with the threats which are posed to the very freedoms they promote.

RUMANIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under previous order of the House, the gentle-

man from Ohio [Mr. FEIGHAN], is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker, the 10th of May has been observed as Rumanian Independence Day for the past 87 years. Rumania as a nation won recognition of her national independence at the Congress of Berlin on May 10, 1878, but only after bloody sacrifices and heroic deeds in the war between imperial Russia and the Ottoman Empire. Significantly, and ironically in light of present events, the Rumanian people turned back to the Ottoman Turks after they had inflicted two critical defeats on the imperial Army of Russian Grand Duke Nicholas. Rumania's reward was recognition of her national independence by the great powers of Europe.

It was 20 years ago last March 6 that the new imperialism of Moscow seized the Rumanian nation by fraud and violence and robbed her people of freedom and national independence. In typical Russian style, Vishinsky, an agent of the Kremlin, announced that the Rumanian Government no longer existed and that it had been replaced by a new regime, a regime of Communist puppets. This action was backed up by the tanks and guns of the Red army and occurred only after a Russian campaign of terror and violence among the Rumanian people.

From this it is obvious that the Russians have no respect for history, that to help them in their hour of crisis is to invite their ungrateful and deceitful actions at a future date. That is the lesson we learn from the events of 1877-78 when Rumania held back invasion of imperial Russia by the Ottoman Turks and the events of 1945 when imperial Russia robbed the Rumanian people of their national independence.

The United States has had its share of harsh experiences with the imperial Russians. In 1917-18 we provided Russia with military supplies and funds to defend itself against imperial Germany. From 1918 to 1921 we provided the food to prevent famine in Bolshevik Russia—hoping to win their friendship. As a reward our humanitarian program was branded as a spy operation and disbanded as soon as the threat of famine had been defeated.

In 1939 the imperial Russians and Nazi Germany made a secret pact to launch World War II and to divide all of Europe between the tyrants. When the Nazis later invaded the Russian empire, we rushed to the aid of imperial Russia and embraced her as an ally. We poured out over \$20 billion in loans and lend lease—all to save the imperial Russians from certain defeat. We fought to liberate all of Europe from the tyrants whip only to defeat Nazi Germany and then to be immediately confronted with wholesale Russian subversion and aggression directed at the conquest of all of Europe.

Every American is aware of Russian directed subversion and aggression in Korea, Vietnam, Africa, Cuba, the Dominican Republic, and elsewhere since the end of World War II. Despite this record there are people who call out for more efforts to win the friendship of the Russians. There are even people who

still believe that we can win Russian friendship if we remain quiet about the fate of the people in the captive nations of Europe and Asia. But the record shows the only possible friendship with the Russians is based upon submission to their demands.

The people of Rumania know the full meaning of friendship—Russian style. They have lived under that forced friendship for 20 years. During that time they have seen the Russians liquidate their Rumanian quislings, those Rumanians whose friendship was based upon the alleged bond of Communist ideology. Communist ideology is always subservient to the demands of the Russian empire. They have experienced the plans and schemes of the Russians to change the character of the Rumanian people by remaking them into Soviet people. In other words, they have lived through the 20th century Russian nightmare and there is every reason to believe the character, the spirit, and the rich traditions of Rumanian life remain alive in the hopes and aspirations of her people.

How else can we account for recent developments in Rumania? There is no denying the fact that the Rumanian people are becoming more bold and outspoken in their opposition to Russian domination of their homeland. Popular feelings on this issue have reached such a stage that even leading members of the imposed Communist regime have made anti-Russian statements and have also made attempts to create the public impression that they are not wholly owned agents of Moscow. It is reasonable to conclude that the Russians with their reactionary system of colonizing other nations, have become so unwanted that even their trained quislings are attempting to disassociate from them.

No effort on the part of the imposed Communist regime in Rumania to convince the Rumanian people that their country is free and independent can succeed. The people know they are not free and that their national independence has been robbed by Moscow. The people of Rumania will not be satisfied until they are complete masters of their destiny, until traditional Rumanian culture is allowed to flourish and until full and open relations with the Western World are resumed.

World events are moving in a direction favorable to Rumania and the other captive nations. Russian instigated aggression through so-called wars of national liberation, such as is taking place in Vietnam and as was attempted in the Dominican Republic, has aroused the free world from its temporary slumber. Cuba has provided our people with a striking example of the end results of such wars of national liberation. That Russian base of operations in the Western Hemisphere now threatens many countries in Latin America. President Johnson's action in both Vietnam and in the Dominican crisis serves notice that we will not stand idly by while Moscow robs more nations of their freedom and independence.

Meanwhile, imperial Russia is charging the United States with imperialism for defending the freedom and independ-

ence of Vietnam and the Dominican Republic. Our actions to defend human freedom have been labeled by Moscow as acts of aggression. It is time that we exposed the nature of Russian imperialism and the manner in which the mythology of communism is used to expand the empire of Moscow.

Congress can provide the forum for that long overdue exposure by authorizing a Special House Committee on the Captive Nations. Such a committee could put the labels of imperialism and aggression where they properly belong—on the unchanging Russians. The one remaining empire in the world cannot stand the test of full exposure. Such an exposure would renew the hopes and aspirations of millions of non-Russian people throughout the captive nations. It would serve notice that we have not forgotten them and would be a certain assurance that we do not seek Russian friendship at the expense of continuing enslavement of the captive nations. Moreover, it would put imperial Russia on the defensive as the seat of the last vestige of colonialism and reactionary exploitation of nations and people.

The 10th of May is not being officially celebrated in Rumania today. Moscow would not permit it and the Communist regime in Bucharest could not endure the consequences. But the people of Rumania will remember this day and they will observe it in their own way despite the commands of Moscow or the counterplans of the Rumanian Communist regime. Today is Rumanian Independence Day. And it will be so observed long after the Russian nightmare is ended.

Mr. HOWARD. Mr. Speaker, today, May 10, we commemorate the anniversary of Rumanian independence. After centuries of domination by the Ottoman Empire, the people of Rumania had at long last achieved their freedom. It is fitting that we in this Chamber, Mr. Speaker, take a few moments in our busy schedule of legislation to pay tribute to Rumania and to her people on this great national holiday.

The Rumanian people today, as they were before declaring their independence from the Turks, are a people living in a state of national oppression. Since 1945, Rumanians have known nothing else but the tyranny of communism and all its evil works. At the close of that last great war it was the hope of all freemen that there would no longer be any other dominating tyranny in the world. It was the hope of many who had fought in that great and terrible war that a new age had dawned for mankind.

But we were all mistaken. Our hopes were soon dashed when we observed with bitter anguish the envelopment of all eastern Europe by a new world tyranny, communism. Rumania, Poland, and all the other states of Eastern Europe fell under the coercive ideology of communism. Freedom was destroyed, and all hope for a better future and a future in freedom was dissolved.

In the past few years great changes have taken place in the Communist world. Forces of diffusion have been at work, eroding away the once total power

that the Soviets had once held over Eastern Europe. One of the states that has experienced the full impact of these changing currents of history has been Rumania. During these years Rumania has exerted to a remarkable degree its independent role within the Soviet bloc. It has insisted upon a separate economic future quite apart from the rigidly imposed structure established in Moscow. It has played off with great skill the Chinese against the Russians in the interplay of intrabloc politics, and thus have been able to establish some degree of independence from Moscow. Russian influence is on the way out in Rumania. Even the learning of the Russian language is no longer compulsory, and Western languages are gaining their pre-1945 favor in the Rumanian education system. Moreover, Rumania has been establishing greater ties with the West.

These are considerable changes. There can be no mistake about that. But it would be a mistake to read too much into these changes; for Rumania remains Communist and its government is intolerably totalitarian. Nonetheless, Rumanians are exerting greater independence from the bloc than ever before, and this in itself constitutes a diminution of overall Soviet strength in Europe.

On this anniversary of Rumanian independence, it gives satisfaction to witness these changing events in Rumania. Let us all hope that the trend will enlarge to a degree that at some time in the future Rumania and her people will at long last be free from communism itself.

Mr. McGRATH. Mr. Speaker, the steadfastness with which the Rumanian people continue to defy their Soviet masters is emphasized by the fact that although yesterday, May 9, is decreed their national holiday, Rumanians continue to celebrate May 10, their traditional national holiday, in their hearts.

Today, the good wishes and heartfelt support of all Americans go out to the Rumanian people—those within Rumania clandestinely marking this triple observance, and those outside their homeland who are free to mark this occasion.

On May 10, 1866, Prince Charles of Hohenzollern-Sigmaringen was proclaimed Prince of Rumania, thus founding the Rumanian dynasty. Eleven years later, on May 10, 1877, the principality of Rumania proclaimed her independence from the Ottoman Empire, and 4 years later, on May 10, 1881, Charles I was crowned King of Rumania.

During the ensuing years, Rumanians have cherished the 10th of May as their national holiday, and today it remains the symbol of their perseverance to reach their ultimate goal of freedom and well-being. Even the oppressive Soviet rule which they have lived under since 1947 has not been able to alter the significance of this date, despite the fact that the present government decreed that May 9—the anniversary of the Soviet victory over Nazi Germany—as the official Rumanian national holiday.

To these valiant people—our allies in two World Wars, we extend our good wishes on this holiday of their hearts, and hope with them for the day when all Rumanians may again celebrate May 10 openly.

Mr. KREBS. Mr. Speaker, from time to time we have unusual opportunities to reflect on the sad fate that has befallen some of the older nations of the world. This day Rumanian people throughout the free world are pausing to commemorate the independence of Rumania on May 10, 1877. But unfortunately the people of that nation are today not free to celebrate an independence from rule established without consent of the governed.

As a nation that during two world wars saw action alongside the Allied Powers, Rumania has to this day retained a zeal for independence and freedom. While there is presently little opportunity for genuine expression of that independence in Rumania, I am sure my colleagues will agree that no nation can long be forced to suppress its rightful goal of independence from foreign domination.

I therefore want to join my fellow Members of Congress in saluting the Rumanian people on this anniversary. And I take this opportunity also to assure the people of Rumania that the United States still remembers the gallantry of its service with the Allies and to wish them a quick return to earlier days of freedom and independence.

Mr. MULTER. Mr. Speaker, throughout its history Rumania has been at the crossroads between East and West. Partly for this reason, and partly because of the fact that the country is both fertile and rich in natural resources, Rumania remained divided among her powerful neighbors for nearly 400 years up to the latter half of the 19th century. During all that time, since its conquest by the Ottoman Turks in the 15th century, Rumania was part of the Ottoman Empire, and Rumanians were subjected to the oppressive rule of Ottoman sultans. Through Turkish misgovernment and misrule Rumanians suffered greatly, but they never gave up their ideals, and they worked hard for the attainment of the national goal, their freedom.

In the middle of the last century, after the Crimean War, they attained part of their goal. In 1856, Rumania secured autonomous status, and its only direct tie with the Ottoman sultan was the payment of annual tribute to the sultan's treasury. But the Rumanian people wanted to get rid of this one remaining tie, and the Russo-Turkish War of 1877-78 offered them the opportunity to do this. When that war was raging, on May 10, 1877, the Rumanians proclaimed their full independence of Turkey and fought for its realization. The Rumanian forces joined the Russians in that war against the Turks, and at the end of the war their newly won independence was recognized by the Congress of Berlin. Such was the rise of free and independent Rumania 88 years ago.

Since those exultant days Rumanians have had their ups and downs. They were involved in the First World War, fighting on the side of the Allied and associated powers, and in the end succeeded in having their territorial claims recognized by the formation of a greater Rumania. They were then quite content with their lot and were doing well during

the interwar years. They were also involved in the last war, and they were the victims of both Nazi and Soviet aggressions. Before the actual end of that war Rumania was brought into the clutches of the Kremlin, and for nearly two decades Rumanians suffered more under unrelenting Communist totalitarianism than they had under other alien rules in the past. The rich resources of the country were taken over by Soviet authorities, and were exploited by them. A Communist system of government, with all its attendant evils, was imposed upon the Rumanian people. Collectivization, regimentation, and nationalization were carried out with an iron hand and the people had no choice but to obey the dictatorial decrees.

Until recent years the country was practically sealed off from the West, and Rumanians were prisoners in their own country. They endured many hardships and prayed for their liberation from Communist tyranny. Fortunately, today there is considerable change for the better. The iron hand of communism is somewhat relaxed; in matters of trade and commerce they seem to have regained some freedom, and the country is not as effectively sealed off from the West as it was until a few years ago. On the 88th anniversary of Rumanian Independence Day let us all hope and pray that this spirit of relaxation and toleration will continue and eventually the Rumanian people will regain their full freedom.

Mr. RODINO. Mr. Speaker, on the 10th of May, the anniversary of the day in 1877 when the Rumanians proclaimed their liberty from the Turks, our thoughts turn to the Rumanian people of today. Although the dissension in the Communist world and the rift between the Soviet Union and Communist China have recently permitted Rumania a slight margin for nationalistic action, Rumania is still a captive nation of the Soviet Union. The Rumanian people are still under the control of communism, an alien movement which could never stay in power without the proximity of the Red army. They suffer from the failings of Communist economic and agricultural policies. For example, 90 percent of Rumania's agriculture is collectivized and the yields remain pathetically low in sharp contrast to the bountiful surpluses of our own farms.

As Rumanians who live in the free world and Americans of Rumanian descent celebrate the anniversary of Rumanian independence, it is my hope that the people of Rumania will be heartened by the evidence that their plight has not been forgotten. It is my hope that they too will remember that their ancestors lived under foreign domination for more than four centuries, yet they were at last successful in regaining their independence.

The United States, which will always be stronger because of the contributions made by its citizens of Rumanian background, realizes that the Communist government of Rumania is not a reflection of the will of the Rumanian people. We realize that the Rumanian people themselves have not changed in their

love of liberty. We shall do everything prudently possible to hasten the day when all peoples have the opportunity to live in liberty and enjoy freedom.

Mr. CUNNINGHAM. Mr. Speaker, the historic step taken by the gallant inhabitants of Rumania 88 years ago, during the Russo-Turkish War of 1877-78, constitutes a significant landmark in the turbulent history of the Rumanian people.

On May 10, 1877, the Rumanians proclaimed their independence from the Turks. In the ensuing war, they were victorious and the subsequent peace treaty guaranteed Rumania's freedom of independence. Thus, that daring act of May 10, 1877, marked the independence day of Rumania.

Since those distant days Rumanians have experienced the joy of freedom and the woes of foreign tyranny. Today they are grievously deprived of freedom in their homeland. Communist totalitarian dictatorship has eliminated all vestiges of independence there, but happily the Rumanian people have not given up their hope for eventual freedom.

Let us not forget the 10th of May when the Rumanian people demonstrated to the free and independent peoples of the world that centuries of oppression and suffering had not dimmed their hope for freedom, and their willingness to fight for their national independence. Though today once more they are robbed of their freedom, and are enslaved by Moscow-dominated forces in their homeland, I am confident that they will again regain their freedom and live happily in their beloved Rumania.

Mrs. KELLY. Mr. Speaker, although we Americans are among the most highly educated peoples in the world, for many of us the history of Eastern Europe is a huge blind spot. We seldom realize that the nations and peoples of Eastern Europe had to struggle long and valiantly before they attained independent status. Overrun by Turks or Russians in an earlier day, the peoples of Eastern Europe became pawns in the political power game as it was played by the Western nations, Russia, and the Ottoman Empire.

Throughout this long twilight period, the Rumanian people tenaciously held to their idea of nationhood. Their tenacity was rewarded when, at the end of the Crimean War, the powers recognized the autonomy of Wallachia and Moldavia, the Turkish provinces that were to make up the Rumanian state.

But the leaders of Rumania knew the temper of their people. They knew that both peasant and intellectual would not be satisfied short of outright independence. In the Russo-Turkish War of 1877 they saw their opportunity, and on May 10 of that year declared Rumanian independence to be an accomplished fact. Rumanian troops were skillfully employed to gain political advantage, besides being of material help to the Russians. Rumania's independence was recognized by the powers in the Treaty of Berlin, a year later, but she was required to cede Bessarabia to Russia.

Today on another independence day, Rumania finds herself subjugated by a

foreign power. That power, of course, is the Soviet Union, which installed communism by force and trickery in the closing stages of World War II. But Rumanians are showing that old spirit of independence that comforted them so much in their turbulent past. Rumania is eager to trade with, and learn from, the West, and it has shown a readiness to do so regardless of Soviet pressure. But surely this will not be enough. Surely Rumanian tenacity will triumph again, bringing with it true freedom so prized by all Rumanians. That is really the lesson of this Rumanian Independence Day.

Mr. DINGELL. Mr. Speaker, my colleagues of the House, today, May 10, is the traditional national holiday of the Rumanian people. It commemorates the day when, in 1877, the people of Rumania declared their independence. During the following year that independence was recognized by the powers of Europe in the Treaty of Berlin. The culmination of Rumania's hopes and dreams, hopes and dreams sustained for hundreds of years, through a variety of historical regimes, was realized at last.

Yet Rumania, like so many of the states of southeastern Europe, was faced with massive internal problems, and was bedeviled, as were so many of her neighbors, by conflicting territorial claims, and bewildering ethnic heterogeneity. Despite these handicaps the country made notable economic and political progress in the period from 1878 to 1918. After the end of the first World War, in which Rumania participated on the side of the Allies, the country made spectacular economic progress. New industries, supported by domestic and foreign capital, sprouted extensively, and foreign trade expanded substantially. Political life flourished, parliamentary institutions grew stronger, and a number of Rumanian statesmen made a significant mark on the world scene, particularly M. Titulescu at the League of Nations. Rumanian foreign policy was pro-French in orientation; in fact Rumania was allied with France in one of the many pacts by which the latter sought to safeguard her security against a potentially renaissance Germany.

But with the onset of the depression and the rise of Nazi Germany, Rumania came under increasing pressure from antidemocratic forces, both within and without. Eventually these pressures proved too much for Rumania's democratic forces, and she lapsed into a royal dictatorship, which was followed by that of Fascist oriented elements. It was this government which took Rumania into the Second World War on the German side and which was overthrown by a popular uprising led by King Michael.

But the hopes which the popular young king aroused were soon to be dashed. The Soviet Union, having conquered the territory of Rumania in its advance against the Nazi legions, was determined to control the country together with the rest of Eastern Europe. Having rid themselves of one set of totalitarian masters, the Rumanians were to find that set replaced by another. With the establishment of the Rumanian Peoples

Republic in 1947 all vestiges of a free society disappeared from Rumania.

But if history is relevant at all, and we believe that it is, the Communist regime which presently rules Rumania will disappear into the mists of time. Not today or tomorrow, let us have no illusions on that score. But eventually this will come to pass, for communism is alien to all Rumanian national traditions. In the long run, the institutions which nurture man's spirit survive, and those which demean it, perish. If we believe this truth, we can be certain that a day will come when Rumanians can celebrate their national independence on their native soil, and not in exile. In the meantime we salute the courage and tenacity of the Rumanian people, just as we salute these same qualities in the people of every country suffering under Communist tyranny.

Mr. O'HARA of Illinois. Mr. Speaker, May 10 is the national holiday of the Rumanian people. It is a date which commands the respect of all who cherish freedom and who hold steadfastly to its ideals regardless of cost.

The people of Rumania have a long and interesting history dating back to days of ancient Rome. From that time to the present they have maintained their distinctive cultural and linguistic qualities. But their political development, due to the facts of geography, has been tragically impaired by the insensitive forces of great power rivalry and greed.

This Christian nation was a constant object of Turkish aggression, and after many valiant struggles came under Ottoman domination in the 17th century. But this domination did not have even the saving grace of protection. Rumanian territory was caught up in the ambitions of three great neighboring empires—Russia, Turkey, and Austria. From the end of the 16th century until the day of independence in 1877, the Russian forces entered Rumanian territory at least 13 times, usually staying for periods of 5 or more years.

Most of the country remained under Turkish oppression, and at one point the Russians and Turks signed an agreement for joint control over the territory. This came after the wave of democratic nationalist revolutions that swept Europe in 1848 in which the Rumanians and many other oppressed nationalities attempted to win their freedom.

As Turkish power began to decline it was inevitably replaced by Russian hegemony. But the rise of Russian power in this area aroused the interest of England and France and, when Russia invaded Rumania, once again it led to the Crimean War and the defeat of Russia.

Some of the Rumanian territory was restored through the Treaty of Paris and a new government under Prince Alexander Cuza showed what the Rumanian people would do if given the chance to govern themselves. Serfdom was abolished, the peasants received ownership of land, voting rights were broadened and compulsory education was instituted. A liberal constitution was established in 1866.

This newly won independence was threatened, however, when the Russians and Turks went to war in 1877. The Rumanian Government allowed Russian forces to enter its territory for the purpose of defense against the ancient oppressors, and Rumanian forces fought bravely along with those of Russia. But the Russians showed no gratitude and in a manner that has become familiar to us, they used the opportunity to demand and take parts of Bessarabia, with the compliance of other European powers.

In spite of this loss the Rumanian people were able after this episode to enjoy a period of freedom from outside oppression. Rumania fought with the Allies against the Germans in World War I. And again the Russians, before and after the Bolshevik revolution, attempted to use the situation to take Rumanian territory.

Between the two wars Rumania aligned itself with the West, but when the Nazis and Communist Russians concluded their short-lived agreement to divide up the helpless peoples of Eastern Europe, Rumanian territory was once again taken by Russia. Rumania's independence could not survive the ensuing struggle and the Russians finally satisfied their greed by taking control of all of Rumania.

On this occasion of the anniversary of Rumania independence we desire to let the Rumanian people know that we have not forgotten them and do not consider their struggle for freedom to be at an end. Although, despite the strict confines of Soviet control today, we see that Rumania is attempting to move toward a degree of economic freedom that can only serve to loosen the bonds which some day must disappear. Recent years have seen Rumania forging ahead economically in a manner which augurs well for achievement of political as well as economic independence which will constitute an independence for Rumania on a May 10 not far removed from 1965.

Mr. DERWINSKI. Mr. Speaker, today I wish to join in the commemoration of Rumanian Independence Day. Rumania achieved its independence on May 10, 1877, and retained its freedom until 1947, when King Michael was forced to abdicate by the Communists.

Rumanians in the free world who observe their enslaved nation's national holiday each year with great devotion are also diligently working in cooperation with representatives of other captive nations toward their common goal of restoring freedom to their native lands. It is a tragedy that the Rumanian people who suffer under Communist tyranny are prevented from celebrating their holiday, but their Soviet-imposed government seeks to obliterate all such traditional observances of Rumania's great past.

Mr. Speaker, I am delighted to observe the increased interest throughout the United States in the cause of the captive peoples of communism and the fact that their legitimate aspirations for independence for their homelands constitutes a major weakness in the Soviet imperialist empire. Self-determination of peoples is a cornerstone of our foreign policy

which must be maintained until all the nations enslaved by Communist tyranny achieve their independence.

The illegitimate Rumanian Government flaunts the will of the Rumanian people and is not a freely elected administration. Therefore, Mr. Speaker, we must do more than merely commemorate this and other national holidays of the captive nations. We must take positive action. An immediate step which the House of Representatives should take is to approve the resolution of the gentleman from Pennsylvania [Mr. Flood] establishing a Special House Committee on the Captive Nations.

Mr. HALPERN. Mr. Speaker, May 10 is the traditional national holiday of the Rumanian people. Here in the United States we are privileged to know the meaning of this annual event, and in like spirit, we commemorate the day of Rumanian independence.

Rumania proclaimed her independence on May 10, 1877. She severed the bonds which previously had linked her to the Ottoman Empire. Liberty was dearly fought for. In 1878, the Congress of Berlin recognized the independence of Rumania and accorded her official status.

In 1881, the land became a kingdom and thereafter, for many decades, the country was a model of stability and peaceful progress.

The tragic ramifications of World War II altered the complexion of affairs. The nation remains dominated by the Soviet Union, ruled by her, subjected to an outside and foreign ideology.

I hope that the 10th of May will serve to remind us that once the flame of liberty has been set afire, it can never completely be extinguished. The Rumanian people have suffered much throughout the Russian interference. They are still oppressed by a ruthless foreign invader.

Let us hope, in commemorating Rumania's national holiday, that freedom will be restored to this brave people.

Mr. STANTON. Mr. Speaker, the date of the 10th of May is celebrated by freedom-loving Rumanians and Americans of Rumanian descent as the anniversary of Rumania's independence. On that day in 1877, the Rumanians proclaimed their liberty from the Turks, under whose yoke they had suffered since late in the 15th century. For more than four centuries the Rumanian people had been seeking to free themselves from the Ottoman Empire whenever opportunity permitted, and in the last decades of the 19th century they finally met with success.

The independence of Rumania was soon afterward recognized by Russia, Italy, Great Britain, France, and Germany. A kingdom was proclaimed and Prince Charles was crowned King on May 22, 1881. Until the Second World War, Rumania flourished in its liberty. The war, however, resulted in the loss of that liberty. Rumania became one of the captive nations of the Soviet Union, its sovereignty curtailed by a satellite status which is deplored by those Rumanians who understand the importance of freedom as well as by all Americans

who have migrated to this country from Rumania.

At the present time significant changes are taking place in Rumania. Although until recently Rumania was one of the most ardent Soviet allies, there has been a conspicuous amount of de-Russification and expanded cultural interchange with the West in the past few months. Russian is no longer a compulsory language in schools. The number of Soviet films has been reduced and the Soviet radio program has been dropped. In 1964 Soviet-Rumanian Friendship Week was given only perfunctory attention. More and more Western plays are being shown, and additional Western authors have been put on accepted reading lists.

There should be no illusion that the Communist system itself has been liberalized, or that the Government of Rumania has moved one iota away from Communist ideology. Rather, the Sino-Soviet ideological differences have given Rumania more opportunity for maneuver. Let us hope that in the process of change the longing for freedom which is felt in the hearts of the Rumanian people can eventually result in the attainment of true independence once again. May our expressions commemorating Rumanian independence remind all people behind the Iron Curtain that they have not been forgotten by the free world.

Mr. ZABLOCKI. Mr. Speaker, I am pleased to join with my colleagues in commemorating Rumanian Independence Day.

Twenty years ago—a generation—Soviet military might thrust a crown of thorns on the brow of Rumania. Since that time the people of Rumania have suffered under the domination of a Communist totalitarian regime.

In recent years there have, happily, been signs that the oppression slowly is being lifted. No longer does the Soviet Union maintain its military garrisons on Rumanian soil.

Recently too, the Rumanian Government has demonstrated some independence from Moscow, and has expressed a desire for better relations with the West.

These efforts at breaking the grip of Soviet communism over a people are to be applauded. Let us hope that they presage even further advances toward restoring freedoms to the Rumanian people.

While no concession should be made any regime in Eastern Europe which would endanger our national security or solidify the position of Communist rulers, the United States should continue to work for the betterment of the Rumanian people.

In this effort, it may be possible to explore increased trade, cultural and trade relations between people of the United States and the people of Rumania. In this way it eventually may be possible to assist the reentry of Rumania into the family of European nations.

It is that glorious time we look toward today as we commemorate Rumanian Independence Day.

Mr. LINDSAY. Mr. Speaker, each year on the 10th of May, the people of the

free world commemorate a traditional Rumanian national holiday. This is the day which honors the achievement of Rumania's independence from Ottoman oppression and the founding of its kingdom. The observance by the free world is to signify to the Rumanian people behind the Iron Curtain that they have not been forgotten and will not be forgotten.

The American people share the hopes and aspirations of the Rumanian people for national liberty. On this commemoration of the 10th of May, we hope they will find new strength in their determination to celebrate the freedom and independence they rightfully earned nearly a century ago.

Mr. KLUCZYNSKI. Mr. Speaker, 20 years ago Soviet communism crushed the freedom and independence of many civilized European nations, among them the sovereign, constitutional, and socially progressive Kingdom of Rumania, established on the 10th of May 1881. Transformed into a so-called peoples republic, Rumania today is in fact a Soviet colony, ruled by the naked force and incredible terror of totalitarian tyranny. To stifle the national feeling of the people, even the celebration of the 10th of May—the traditional national holiday—has been forbidden. Today only the refugees scattered over the free world, many of them in our own country, are able to perpetuate the sacred tradition and in so doing, to draw our attention to the present tragedy and the just aspirations of their oppressed people.

As a nation conceived in freedom and committed to its defense everywhere, we Americans feel deeply saddened by the plight of the Rumanians and appreciate highly their valiant resistance to tyranny as a valuable contribution to the general struggle against the Communist menace. Let us therefore take advantage of the anniversary of the 10th of May to convey to Rumanians everywhere the sincere sympathy and the very best wishes of the American people. Let us assure them anew of our determination to pursue, with prudence of course, but with firmness, our national commitment as defenders of freedom. We consider the right of all peoples to freely choose their governments as sacred and inalienable and in the common interest of peace. Thus we cannot and will not acquiesce in their enslavement or accept the status quo as permanent. On the contrary, we are dutybound to support their strivings for freedom by all peaceful means, and express our conviction in the ultimate victory of our common efforts.

Recent developments in the Communist world add considerable substance to our hopes, especially concerning the Rumanians. A great deal has been written recently about a seemingly radical change of mind and policy by Rumania's Communist rulers, who are alleged to have become politically—but not militarily and economically—"almost independent" of Moscow, eager to put national interests above Communist allegiance and to intensify contacts with the West. Consequently the West, and our administration particularly, has decided to encourage by all means, mainly eco-

nomic, the Bucharest regime in its new orientation.

We certainly welcome any change for the better in Rumania, provided it be genuine, and we wholeheartedly approve any American help, provided it improves the lot of the people more than it strengthens the Communist regime. Well knowing that it was the stubborn will for freedom of the Rumanians which compelled their rulers to make certain "concessions" to the national sentiment and national interests, we must make it clear that we do not intend to recognize the Communist regime as legitimate, or to bail it out from its self-created economic chaos simply for its own sake. Our intention is to alleviate the lot of the people and thus make them more able to assert more forcefully their will to freedom. Any confusion or misrepresentation concerning this fundamental position might tend to dishearten the Rumanians, weaken their spirit, and make our generosity self-defeating.

We must not forget, wishful interpretation of current events notwithstanding and despite the welcome release of thousands of political prisoners, that Rumania's regime continues to enforce "Socialist discipline," that is, police terror, more ruthlessly than any other regime in the Soviet camp. Would it be too much to ask the Bucharest rulers to grant at home at least the degree of freedom and respect for human rights which has become common in Poland and even Hungary? How else can they find in the West the good will, and the dollars, they so desperately need and want?

Confident that our Government is well aware of the complexities of this situation and will move with wisdom, we wish to pay tribute to the unbending spirit of the Rumanian people, who have compelled their rulers to enter upon the path of national interest. This gives us renewed confidence that the ideals of freedom and independence so eloquently symbolized by the 10th of May will once more prevail.

Mr. HELSTOSKI. Mr. Speaker, World War II and the years since the termination of this conflict have been tragic for some 17 million Rumanians in their homeland.

The 10th of May is the traditional day of independence of the Rumanian people, but in Rumania there is no joy on this day, no celebration of that glorious day of May 10, 1877, when Rumania proclaimed her independence. Today, these brave Rumanians are under the yoke of Communist subjugation and oppression and this day of rejoicing has been taken away as a right of the Rumanian people.

In 1877 Rumania proclaimed independence from Turkey, and was recognized by the European powers as an independent state in the Treaty of Berlin, and as a kingdom in 1881 under Carol I. In 1886 Rumania became a constitutional monarchy with a bicameral legislature.

The life of the Rumanian people was always one of uncertainty because of its geographic position. Rumania's location on the border of warring nations made it a frequent victim of strife. It helped Russia against Turkey during the

years 1877 and 1878. It was defeated by Germany and Austria-Hungary in World War I. In World War II, Rumania was forced to join Germany against the U.S.S.R. by Marshal Ion Antonescu, a leader of the militarist movement in Rumania. In 1944, Antonescu was overthrown by King Michael with the help of the Soviets and Rumania joined the allies.

With occupation by Soviet troops the National Democratic Front, headed by the Communist Party, displaced the National Peasant Party. As a result of this change, a People's Republic was proclaimed on December 30, 1947. Under this rule, land owners were dispossessed, industrial and transportation units were nationalized and banks were taken over by the new regime. On September 24, 1952, a Soviet type constitution was adopted and Rumania, as an independent and free state was lost.

Even though Rumania is behind the Iron Curtain for a number of years now, her spirit and her wish to once again be free and independent remains undaunted.

I know that all Americans are united in the hope that Rumania and all those who have been crushed under the heel of the Soviets will some day be free again.

The question arises, since Rumania cannot celebrate her own day of independence, and is a country so far removed from the every day life of the average American—why do we, in the House of Representatives celebrate and commemorate this day?

We do this because we understand the plight of the captive nations and have many times pledged ourselves to bring back freedom to these subjugated nations. We take this time to again renew our determination that these nations will be enabled to obtain self-government, freedom and liberty, to which they have an inherent right.

We cannot forget the ordeal of Rumania and all the other captive nations under the rule of the Soviet. We should not turn our eyes away from the encroachment of Soviet domination into the Western Hemisphere. There already has been evidence of this domination in the instance of Cuba, which lies only 90 miles away from our borders. Now, the uprisings in the Dominican Republic should further alert us to these dangers.

Let us make no mistake about the intentions of the Russians. They are determined to win a total victory in the skirmishes they have launched against the United States and other free nations. There is no desire on their part to negotiate, they believe in a winner-take-all policy and are determined that they be the winner. We are forced into this game, because there is much at stake for the Western and free nations and we cannot let this game go to the Russians by default.

So, on this 87th anniversary of Rumanian independence we should again reevaluate the world situation. We should again give hope and encouragement to the Soviet dominated nations and our pledge to those free nations that

are subject to pressure from the Soviets that we shall continue our efforts to make this world one of free and independent nations, each with its own choice of government and leadership.

Mr. ST GERMAIN. Mr. Speaker, on this, the anniversary of the declaration of Rumanian independence on May 10, 1877, it is a pleasure to send greetings to the Rumanian people, many of them still living behind the Iron Curtain, many of them scattered throughout the world. For many centuries, the Rumanians lived under the yoke of the Ottoman Turks. But in the 18th and 19th centuries, the forces of nationalism began to awaken in eastern Europe, and the Turkish administration began to weaken. Following a number of uprisings, the Rumanian people were able to achieve independence in 1877. But that independence was precarious. For to the north and to the east, lay a giant neighbor, whose aims of dominion in eastern Europe has already become too apparent. Thus the Russian empire seized southern Bessarabia in 1877 and held this territory until the end of World War I. And in 1939, following the Soviet-Nazi pact, the Soviet Union seized Bessarabia and northern Bukovina. Today, these territories remain lost to Rumania and stand as symbols of the tyranny practiced by a far from benevolent neighbor.

The Rumanian people, however, have never lost sight of the independence that they won in 1877. While still remaining in the grips of the harsh system imposed by the Soviet Union in 1945, they have steadily worked to free themselves of external domination. Today, Rumania is increasing her trade and contacts with the West. The country is resisting Soviet economic plans to maintain her in the subservient position of a primarily agricultural nation and is rapidly building her own industry over Soviet opposition. However long the road to true independence and freedom may prove to be, the first steps have been taken. The Rumanian people are imbued with the cultural traditions of the West. I am confident that these ties to the West can never be broken. I am confident that one day the Rumanian people will regain the liberty for which they fought so hard in the 19th century.

USE OF FOOD AND FIBER PRODUCTS IN THE FOOD-FOR-PEACE PROGRAM AND DOMESTIC PROGRAMS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. STALBAUM], is recognized for 15 minutes.

Mr. STALBAUM. Mr. Speaker, I have today introduced a bill, which would permit the Department of Agriculture to use food and fiber products produced by our American farmers, even if not in surplus, for title III of the food-for-peace program and for those domestic programs for which they supply commodities.

While my prime concern relates to the foreign activities and the vital use of this production in our foreign pro-

grams, the problem was most sharply called to my attention recently by a condition which developed in the domestic food programs. My bill covers both of these areas.

On the domestic scene, a situation, arose last winter in which butter was no longer considered a surplus commodity. As a result, the use of this dairy product in certain of the domestic programs was discontinued, and, I have been informed by the Department of Agriculture this past week, will not be resumed again until July 1.

To many of us familiar with dairy production patterns, this move by the Department of Agriculture to halt the use of butter, while perhaps technically correct as to interpretation of the law, made little sense when related to normal production activities. No one denied that within a few months, as the spring flush of milk production reached the markets, we would again see a surplus of butter accumulating. Yet, the Department of Agriculture was not in a position to continue the program, even with an anticipated surplus facing them. My bill would permit the continuation of programs under those circumstances.

In the food for peace program, we find an even greater challenge. The food for peace program has now completed a full decade. We have this experience to draw upon. The program has been refined through the years and there is basic acceptance that it is working well. One and one-half billion dollars of commodities were provided through it in 1963-64. Commercial sales have grown in 1963-64 to \$4½ billion, so that we now find over \$6 billion of American farm production going to foreign nations. Foreign donations, with which we are concerned here, now exceed one-third of a billion dollars.

During the 10 years the program has been in operation, we have come more and more to recognize it as an integral part of our foreign policy, rather than the original concept of being an outlet for stocks of surplus commodities. In other words, the emphasis has switched from being a mere surplus disposal program to being a basic component of our entire foreign policy. President Eisenhower, in February of 1959, 5 years after its inception, had already recognized this when he said:

It [using food for peace] is more than surplus disposal, more than an attempt to foster ties and sympathies for America. It is an effort that I consider in full keeping with the American tradition—that of helping people in dire need who with us are devoted to upholding and advancing the cause of freedom. It is an undertaking that will powerfully strengthen our persistent and patient efforts to build an enduring, just peace.

In 1963, then President Kennedy emphasized this point even more strongly, when he said:

We make a grave mistake if we regard food for peace as merely a program for disposal of surplus commodities instead of an opportunity to utilize our agricultural capacity to encourage the economic development of new and developing nations. Food for peace is an increasingly important tool of American foreign policy.

President Johnson in his farm message this year said:

The food-for-peace program is good international policy and it is sound economic policy. Food is a powerful weapon for peace. People who are hungry are weak allies for freedom. Men with empty stomachs do not reason together.

We broadened the food-for-peace program last year and are continuing to study ways to broaden it further. Food shipments under this program help to expand it by building food habits which increase the demand for U.S. products * * *.

This same program has also strengthened growing economies, contributed to rising standards of living, promoted international stability, and literally saved lives in many less developed countries. Our agricultural resources are thus making a significant contribution to the prospects for peace in the world.

To make this food aid most effective, we plan to gear our food-for-peace programs more specifically to the needs of recipient countries and their economic development programs. We may need more flexibility to assure proper nutritional balance in these programs, particularly as they relate to child feeding.

Recognition of this has been noted in other recently introduced bills. Senator NELSON, of Wisconsin, and Senator MONDALE, of Minnesota, along with Wisconsin's Congressman KASTENMEIER, have introduced legislation to liberalize the concept of the term "surplus" in providing food commodities, in assisting "needy persons and social welfare and nonprofit school lunch programs in friendly foreign nations."

Senator MCGOVERN, of South Dakota, has introduced legislation relating to the purchase of dairy products for the various programs normally receiving surplus commodities when there are insufficient stocks in the hands of the Commodity Credit Corporation. I am pleased to see others who are interested in the well-being of American agriculture recognizing this problem and the efforts they are making toward a solution through this legislation which they have introduced.

Experience has shown that food for peace serves a valuable purpose in the total assistance effort in a country. Accordingly it is recognized both by countries receiving assistance and by AID missions to these countries as a significant part of their programs. Nearly 100 million people in over 100 nations benefit directly from the creative use of the farm production here in America, which we have not been able to use domestically. Millions more benefit indirectly from this food and fiber. When it is recognized that the United States spent, in 1962, nearly \$400 million simply to store its accumulated farm surpluses, it is far better that these be put to use, to feed those who need food throughout the world, than to merely pile it up in warehouses.

It has been long recognized that the ability to provide an adequate food supply for a nation precedes other economic and industrial development. This was true in our own Nation in the late 19th century. While we normally think of developing the food production through technological assistance and advances among the friendly nations, the point

cannot be overlooked that through the use of our food commodities to these people we can, to a limited extent, release labor normally required to produce food and fiber for other economic activities. Our food programs in this manner are certainly playing a role in the industrial and economic development of these people.

Recognizing the value of the program as proved by its 10-year history, it is time that we start thinking about removing the shackles of limiting this program only to those items which must first meet a rule of surplus. As a part of our policy in dealing with other nations, the use of food is sound. Let us move away from the limitations we have had in the past. It is to give thought in this area that this bill is being introduced.

UNDERMANNED DISTRICT OF COLUMBIA POLICE FORCE IS AN OPEN INVITATION TO CRIME IN WASHINGTON

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, there has been considerable discussion during the past few days about crime in Washington, D.C. President Johnson has suggested an increase in the police force as one possible solution.

I should like today to review the critical situation in which we have placed our Washington, D.C., Police Department and the real emergency that we face on our city streets here in the Capital of the United States. I believe my analysis may help show how completely right the President is in his plea for an increase in the District police force.

The crime rate soars and we refuse to face the problem. Our District of Columbia police force is seriously handicapped because it is understaffed and poorly financed. I hope this analysis will help show that our District police are doing a monumental job under most difficult conditions.

What does this mean in terms of personal protection in the precincts? We shall readily see that in order even to start on the colossal job ahead, the District police force will need at least 3,000 more men and possibly even more.

The problem here in Washington is that too frequently a great number of details combine on a single day and reduce the number of men available for actual police patrol to a point which literally prohibits effective police work. To illustrate this point, I selected a random date: October 5, 1964.

A number of details during that day, including a parade, reduced the number of men available for actual police work for each of the 2 night shifts throughout the entire District of Columbia to 150 men.

On this day, during the hours from 4 in the afternoon until 8 in the morning, when the hourly crime rate is at its maximum, there were only 150 men available

for the protection of more than 800,000 citizens.

In terms of police precincts, this means that precinct 7, which is Georgetown, with a population of 35,000, had only 7 men available for patrol.

Precinct 10, which contains a large part of the inner city of Washington, with a population of 80,000, had only 14 men on duty throughout the night.

Precinct 11, which is on the east side of the Anacostia River, is representative of the situation. This area of 8 square miles has a population of 105,000. On the night of October 5, there were only 10 men available for patrol.

On an average night, precinct 11 would expect at least two housebreakings, a robbery, a car theft, an assault, and four or five miscellaneous incidents requiring investigation, such as a fight, a missing person report, an ambulance emergency, or any number of crises occurring in police precincts in large cities throughout the country.

In addition to crimes actually reported for Washington, there are numerous traffic accidents, which all have to be investigated.

The point of all this is that because of a fantastic shortage of manpower, the handful of men available to each precinct, no matter how dedicated, no matter how efficient, can do very little more than answer complaints. There is virtually no time available for crime prevention or intensive investigation.

Society encourages crime and prevents the enforcement of law with its apathy toward this manpower shortage. Precinct 11 was virtually without police protection on the night of October 5—a date selected purely at random—and precinct 11 is typical of Washington, D.C.

Mr. Speaker, I believe that the crime problem in Washington is not much different from the crime problem throughout America, but we in Congress have a special obligation to deal with the problem here, if for no other reason than to provide adequate protection for the people of the District, as well as the thousands of our constituents who visit here every year.

The President has voiced his concern and this Congress is now considering various programs for combating lawlessness. Prevention of crime and protection of the individual have many facets.

Considerable emphasis of current proposals is on attacking the source of crime by rehabilitating the potential criminal and providing him with the means to become a successful, productive member of society. However, confident as we are of the eventual success of these long-range programs, we cannot ignore the citizen's frontline of defense, the Nation's police departments.

Throughout America we face a crisis and nowhere is this crisis more imminent than here in the District of Columbia. Robbery and automobile theft—the best barometers of crime because they are always reported—are up 30 percent and 56 percent, respectively, in the last year.

While the crime rate soared and the population in 1964 continued its climb to

800,000 inhabitants of the District of Columbia, the authorized strength of the District police force remained at 3,000 men and actual strength declined from 2,901 to 2,888.

Careful analysis of these manpower figures further reveal that losses owing to weekends, annual vacation, sick leave, special details, time lost in court and hearing appearances, and administrative needs substantially reduce the number of men available for patrol at any given time.

The main thrust of my remarks today is to show that while we have 2,888 policemen assigned to the District, when you take into consideration all of the facts cited above, then divide the remainder into 3 shifts daily, you have practically no policemen for investigative or preventive police work at the precinct level.

Our present shortage of policemen is an open invitation to crime in the District of Columbia.

A minimal figure of only 449 men out of almost 2,888 on the District force are assigned to necessary administrative posts. This leaves 2,439 policemen available for nonadministrative assignments.

But, of these remaining 2,439 men, fully 1,097 are unavailable for patrol duty on any given day for the following reasons:

The 5-day week accounts for a loss of 819 men daily—as their respective day off comes up.

Annual leave accounts for a loss of 156 men daily.

Sick leave averages out to a loss of 111 men daily.

Military leave and other reasons account for a loss of 11 men daily.

This totals an average of 1,097 men necessarily absent on any given day.

An additional 27 patrolmen are tied up per day to appear in court and hearings, and fully another 131 police officers, on the average, are detailed to such things as Capitol Police, sports events, protection for the President, protection of Federal buildings, protection for foreign dignitaries, flower shows, boat shows, parades, festivals, rallies—the list is endless.

Thus, special details, court and hearings, and sanctioned absences for official reasons further reduce police manpower available on any given 24-hour period to 1,198 for the entire District of Columbia.

But even this is not the final figure of men available for general police work. The total is further reduced because 119 are assigned to traffic division and 41 are assigned to youth aid division which processes juvenile offenders and coordinates the activities of the police department and the juvenile court.

This leaves 1,030 men available for criminal investigation with the detective and morals division, and patrolwork in the precincts.

This number is then divided by the number of shifts—3 during a 24-hour period—to obtain the number of men actively engaged in crime prevention and detection, as well as citizen protection, at any one time.

Mr. Speaker, we have an average and, mind you, this is often greatly reduced owing to the need for policemen at special events, we have an average of only 340 men available for patrol at any given time in a city of 800,000 people.

During the day shift, the figure is further reduced by the number of policemen assigned to school crossing duty where the crossing guard fails to report to work or where there is no crossing guard regularly assigned. A policeman assigned to a school crossing is lost to his commander for virtually the entire day shift because he cannot afford to get started on any other detail in between his school crossing assignment.

The odds in Washington against an officer encountering a robbery or any crime of violence while in progress are astronomical, when you consider how tragically undermanned the average police precinct is during any period of the day or night in the District of Columbia.

Lest you think this situation is attributable to the inefficiency, lack of dedication, or simple inertia of our police force, let me describe a not untypical day in the life of our policemen here in Washington.

Last October 5—the random day I selected for this study—President Macapagal of the Republic of the Philippines was honored on his State visit by a parade down Pennsylvania Avenue. The close friendship between the United States and the Republic of the Philippines was celebrated, and the President's visit was a striking success. However, this victory for American diplomacy demanded a police detail of 200 men. These men controlled the crowds and helped protect the President for 3½ hours in the afternoon; then some of these same officers had to report back to their precincts to finish work that had yet to be done. It is pertinent to note that because the Police Department is not authorized to pay overtime, these men were required to work nearly 12 hours and were paid only for 8. How in the world can we expect peak efficiency and also to attract new recruits to the police force under these conditions?

I believe we have an excellent force of policemen in the District. The fact that they are able to keep crime contained as they do against such overwhelming odds is a tribute to their dedication and devotion to public duty, but they need help.

The deplorable situation of our Nation's law enforcement agencies is not due to anything less than the failure of our citizens and the Congress to provide the manpower, equipment, and cooperation necessary to do the job. The police are understaffed, underpaid, overworked, and often held in contempt and rebuked by the very citizens who demand the most protection.

Here in the Nation's Capital, demands on Chief Layton and the District Police Department are particularly great. They have all the problems peculiar to a capital city—tourists, visiting dignitaries, and special events—as well as the police problems of a great urban center.

We ask the District police to do a first rate job in two areas, and deny them the financial support and public cooperation

that would enable them to accomplish their task.

The increase of 100 men approved by the Appropriations Committee is a beginning, but we cannot be satisfied with this modest start. The salaries for this increase in manpower will total \$600,000 a year, and expenses for recruiting and training will raise this figure. The result of this will be 100 rookie policemen.

Investigation has shown that an additional investment of \$325,000 can give us an additional 100 badly needed veteran officers. This money would be used to replace 50 officers now involved in school crossing work, with 50 part-time employees. These part-time crossing guards, most of whom are women, cost the city \$1,200 apiece per year. The policemen they replace cost \$6,000 per year. These 50 part-time crossing guards will cost \$60,000 and will free 50 police officers for patrol work in the precincts who would cost at least \$300,000 to hire and train.

Fifty additional men could be released immediately for patrol duty through the hiring of 50 civilian and clerical staff employees with a similar saving. Thus we can gain 100 experienced police veterans as soon as we are ready to face up to our responsibilities and appropriate the minimal sum required.

Another program which deserves our increased support is the police cadet program. This allows the potential police officer to begin training and earning a salary between the ages of 17 and 20, when interest is at a maximum, and qualifications as a full-fledged officer is not possible because of the minimum age requirement of 21.

Not only is this program a tremendous help in recruiting, but cadets are qualified to replace officers in certain jobs in the station houses which civilians cannot perform. The present program should be doubled within the year from 25 to 50 cadets, and ought eventually to be increased to 150 positions.

The injustice of the present system of nonpayment for overtime is obvious. We cannot expect to keep qualified, capable men in our police force if we do not recompense them equitably for all we demand of them. We must authorize payment for overtime work; to do less is to expect less. And the Nation's Capital cannot afford to maintain inadequate protection for the millions who come here yearly who have a right to adequate police protection in their Nation's Capital let alone those who have residences within the city limits.

Mr. Speaker, the Congress has the responsibility for providing the District with superior police protection. By seizing the initiative in this area, we can set an example for municipalities throughout America by emphasizing the need to aid and strengthen our police forces in their efforts to protect the individual citizen and his property.

Mr. Speaker, the problem is serious and pursuit of the solution will be long and difficult. We can make a substantial beginning by appropriating the necessary funds. I urge my colleagues to accept this commitment to our Capital City. I urge them also to join President

Johnson in giving Washington, D.C., a first-class police force, which will serve as a model for the entire Nation.

ISRAEL INDEPENDENCE DAY

The SPEAKER pro tempore. Under previous order of the House the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, last Friday we were privileged to celebrate the 17th anniversary of the rebirth of Israel as an independent member of the family of nations. After a hiatus of nearly 2,000 years, the age-old dream of the children of Israel was fulfilled in 1948, and it is heartening to report that the achievements of this brave people since that time provide an instructive and moving example of the virtues of patriotism, hard work, and free, democratic government.

The achievements of this small state in the short span of 17 years approach the miraculous. I should, however, like to be specific in one area where the accomplishments of Israel have been particularly notable. This is the field of education, which is the means whereby this new state has welded a diverse population of many national origins into a united whole.

Despite the heavy burden which unlimited immigration, extensive development programs, and essential expenditures for defense have placed upon the economy, a complete educational system from free and compulsory elementary schools to universities which have received world recognition has been created.

From a total school enrollment of about 130,000 in the school year 1948-49, the educational system now handles between 650,000 and 700,000 students per year. Children are permitted to attend either religious or general schools at the discretion of their parents, both of which are financed by the government for all children between the ages of 5 and 14. One of the marvelous things about Israel is that this education is equally available to the Arab minority, among which school attendance has increased tremendously since the days of the mandate.

One of the most important factors in Israel's progress has been her ability to train scholars, scientists, and technicians and professional men of the highest caliber. There are, as a result, a number of first-class institutions of higher learning in Israel, some of them dating back to the first days of the development of the modern Jewish community. The Technion, for example, was founded in 1912, and the Hebrew University only a few months after the liberation of Palestine from Ottoman rule.

The Technion, the Israel Institute of Technology, is the oldest institution of higher learning in Israel. It trains the great number of engineers, technologists, architects, and applied scientists which the country needs to carry forward its extensive programs of development. In 1948 it had only 678 students; today there are more than 2,500 students in the undergraduate division alone, and the total

for all degrees and in all departments is over 8,700.

The Hebrew University has experienced an almost similar growth rate; in 1948 it had only 1,000 students, whereas today the number is over 9,000. It has just moved to a new campus at Vivat Ram after many years in temporary buildings, and has also opened branches in Rehovot, Tel Aviv, and a new medical school at Ein Kerem in Jerusalem.

For those interested in studying in greater depth the history, religion, and culture of the Jews there is a religious university, Bar-Ilan University, located near Tel Aviv, which although founded only a few years ago already plays host to over 1,100 students.

And, there are numerous other educational facilities, a short list of which would include the municipal university of Tel Aviv, the many teachers training colleges, adult education institutes, schools for trade union leaders, and institutions of advanced studies. A full listing would also have to include the yeshivot or talmudical colleges, where over 12,500 students are enrolled.

Indeed, this emphasis on the importance of education has helped to mold Jews from the most diverse backgrounds imaginable to a nation with the highest literacy rate in the Middle East, the most technically skilled population, and undoubtedly the most socially conscious. The importance of Israeli education has received such recognition from students in Africa and Asia that more than 1,500 from these areas have picked Israel as the place to obtain their education. These students, and the aid program which Israel has been able to mount because of the many skills her people possess, has been an important factor in many of the newly-independent states. Many of the African countries look to independent Israel as an example, and as a source for the technical skills which so many of them desperately need.

In addition, Israel's balance of private enterprise and state capitalism is especially attractive to many of these same countries, for the experience of its people in establishing an economically progressive state with phenomenal industrial and agricultural development in the short space of less than two decades is especially relevant to their own situation. It also provides a meaningful illustration of how a high standard of living can be achieved without sacrificing important human values, democratic government, and the ideals of justice and freedom to which all peoples strive. At the same time, it also illustrates that representative democracy, involving parties of every conceivable political shade is not only a viable but also effective alternative to the one-party state when it comes to managing a new country.

It is quite obviously no exaggeration to say that Israel has already left her mark upon the world. She has become an important ally of the West in what has become known as the "battle for men's minds" in the many new countries of Africa and Asia. For this, we are most grateful, for every example of the application of the ideals for which we stand is

an important factor in the struggle between East and West.

I therefore extend my most heartfelt congratulations to the people of Israel on their 17th anniversary. I am convinced that the achievements of these years is simply an indication of the progress yet to be achieved, and a preface to an even finer future.

GENERAL LEAVE TO EXTEND

Mr. LOVE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the subject of Rumanian Independence Day, following the remarks of the gentleman from Ohio [Mr. FEIGHAN].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

INTEREST RATES RISE AS MONEY TIGHTENS—83 DEMOCRATS EXPRESS CONCERN OVER THREAT TO NATION'S ECONOMIC WELL-BEING

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am very pleased to announce that the April 13 meeting of the Unofficial Steering Committee of House Democrats To Oppose Any Increase in Interest Rates on Long-Term Government Bonds was most encouraging. The sole purpose of this committee is to support the Democratic platform pledge for reasonable interest rates and to prevent any tinkering with the $4\frac{1}{4}$ -percent interest rate ceiling on long-term Government bonds on the statute books for over 45 years.

Interest rates are vitally important in two overall aspects. First, it is impossible to have a healthy, growing economy without an adequate supply of credit at a reasonable interest cost. Second, since the Government must pay interest on the national debt out of money contributed by the taxpayers, it is important that interest costs to the Government be kept as low as possible. In this way more public funds will be available for production and social projects such as housing, roads, small business, and assistance in eliminating poverty.

We have 88 enthusiastic Democrats on our committee from 37 States and the number grows daily. Our attendance at this first meeting was excellent. I had the honor of being elected permanent chairman. A number of officers will be elected very shortly. We will soon visit with representatives of the White House, including the new Secretary of the Treasury, Mr. Fowler, and the Chairman of the President's Council of Economic Advisers, Mr. Ackley.

At the April 13 meeting the question arose from several Members on why it is

so urgent that our steering committee organize and become active at this particular time. You do not have to look far or hard for the answer. The facts are these—the Federal Reserve first tightened up on credit last August, raised the rediscount rate by almost 15 percent last November and, at this very moment, the Fed is engaged in another turn on the monetary screws. These drastic moves can have only a severe dampening effect upon our unprecedented prosperity, now entering its fifth year. Indeed, our steering committee has grave cause for concern, as upward pressures on interest rates are everywhere to see. Bank reserves are at their lowest in 5 years, bank loans to businessmen are harder to come by and more expensive, interest rates are at their highest in 30 years and long-term Government bonds—bell-weather of the money market—are fluctuating below par, which is a strong sign that money is growing ever tighter. If the Federal Reserve would support Government bonds, then the pressure would be off interest rates and bank reserves at the same time. However, they are leading us steadily toward an economic abyss.

Following are a number of news items on recent moves to raise interest rates and the harmful effects that will result:

"January Orders of Machine Tools Trailed December," Wall Street Journal, February 26, 1965.

"First National City Bank Urges Economic Tightening; Curbs on Credit Supply Growth," American Banker, March 16, 1965.

"Housing Is a Soft Spot in the Economy," New York Times, March 21, 1965.

"Hagemann Sees Second-Half Increase in Interest Rates," American Banker, March 25, 1965.

"Nation's Banks See Continuing Loan Rise, But at Slower Pace," American Banker, March 25, 1965.

"Troublesome News Complicates Pricing of Bond Offerings," Daily Bond Buyer, March 29, 1965.

"Nation's Money Supply Rises at Reduced Rate of 0.7 Percent Annually," Daily Bond Buyer, March 31, 1965.

"Factory Orders Dip; Shipments Also Fall Slightly for Month—Inventories Up," New York Times, April 1, 1965.

"Government Market Eases in Dull Trading Session," Daily Bond Buyer, April 2, 1965.

"One Hundred and Nine Million Dollar Deficiency Reported for Banks' Average Reserves," Daily Bond Buyer, April 2, 1965.

"Potential Credit in Week Declined to a 5-year Low," Wall Street Journal, April 2, 1965.

"Squeeze Hits Banks as Fed Curbs Credit," Journal of Commerce, April 9, 1965.

"Business Inventories Climbed \$330 Million in February, Slimmest Rise Since August," Wall Street Journal, April 9, 1965.

"Lendable Cash of Banks Fell Again in Week; Possible Further Credit Tightening Hinted," Wall Street Journal, April 9, 1965.

"Credit Curbs Seen by Some Bankers," New York Times, April 9, 1965.

"Reserve Deficiency Largest Since 1960; Sixth Week of Deficit," Daily Bond Buyer, April 9, 1965.

"Federal Reserve Action Tightens Money Policy," Washington Star, April 11, 1965.

"Chicago Bank Sees Drop in Business Loans From Big First Quarter Volume," Daily Bond Buyer, April 13, 1965.

"Week's Credit Supply Held at 5-Year Low, Indicating Federal Reserve Kept Tight Rein," Wall Street Journal, April 16, 1965.

"Broker's Loan Rate Raised to 4½ Percent by Four Big Banks; was 4½ Percent Since 1960," Wall Street Journal, April 16, 1965.

"Higher Charge for Loans to Stockbrokers Is Announced by Two More Major Banks; Higher Prime Rate Wanted," Wall Street Journal, April 20, 1965.

"Treasury Bills Rate Rise; 6-Month Issue Over 4 Percent," Daily Bond Buyer, April 20, 1965.

"Federal Reserve Continues to Curb Credit by Constricting Supplies of Lendable Cash," Wall Street Journal, April 23, 1965.

"Growth in Installment Loans Declining Since February, Washington Analyst Says: Retailers Complain General Credit Clampdown Might Deflate Their Sales," Wall Street Journal, April 29, 1965.

"Fed Restricts Funds of Banks; for Ninth Week in Row Fed Kept Banks in \$130 Million Deficit Position in Funds for New Loans and Investments," Journal of Commerce, April 30, 1965.

THE 89TH CONGRESS UNOFFICIAL STEERING COMMITTEE OF HOUSE DEMOCRATS TO OPPOSE ANY INCREASE IN INTEREST RATES ON LONG-TERM GOVERNMENT BONDS, AS OF MAY 6, 1965

Alaska: Mr. RIVERS; Arizona: Mr. UDALL; Arkansas: Mr. TRIMBLE; California: Mr. BROWN, Mr. BURTON, Mr. CAMERON, Mr. COHELAN, Mr. CORMAN, Mr. DYAL, Mr. EDWARDS, Mr. HANNA, Mr. HAWKINS, Mr. HOLIFIELD, Mr. McFALL, Mr. MOSS, Mr. ROOSEVELT, Mr. ROYBAL, Mr. SISK, Mr. VAN DERLIN, Mr. CHARLES H. WILSON; Colorado: Mr. McVICKER; Delaware: Mr. McDOWELL; Florida: Mr. PEPPER; Georgia: Mr. MACKAY, Mr. STEPHENS, Mr. WELTNER; Hawaii: Mr. MATSUNAGA, Mr. MINK; Idaho: Mr. WHITE; Illinois: Mr. ANNUNZIO, Mr. O'HARA, Mr. RONAN; Indiana: Mr. MADDEN; Iowa: Mr. HANSEN, Mr. SCHMIDHAUSER; Kentucky: Mr. PERKINS; Louisiana: Mr. MORRISON; Maryland: Mr. FRIEDEL; Massachusetts: Mr. O'NEILL; Michigan: Mr. DIGGS, Mr. GRIFFITHS; Minnesota: Mr. KARTH, Mr. OLSON; Missouri: Mr. SULLIVAN; Nebraska: Mr. CALAN; Montana: Mr. OLSEN; New Jersey: Mr. DANIELS, Mr. HELSTOSKI, Mr. KREBS, Mr. McGRATH, Mr. MINISH, Mr. RODINO, Mr. THOMPSON; New York: Mr. BINGHAM, Mr. MULTER, Mr. OTTINGER, Mr. RESNICK, Mr. RYAN; North Dakota: Mr. REDLIN; Ohio: Mr. ASHLEY, Mr. GILLIGAN, Mr. VANIK; Oklahoma: Mr. JOHNSON, Mr. STEED; Oregon: Mr. GREEN, Mr. ULLMAN; Pennsylvania: Mr. BARRETT, Mr. CRALEY, Mr. DENT, Mr. GREEN, Mr. HOLLAND, Mr. NIX, Mr. RHODES, Mr. ROONEY; Rhode Island: Mr. ST GERMAIN; South Carolina: Mr. DORN, Mr. GETTYS; Tennessee: Mr. EVINS; Texas: Mr. GONZALEZ, Mr. PATMAN, Mr. WRIGHT; Washington: Mr. HICKS, Mr. MEEDS; West Virginia: Mr. KEE; Wisconsin: Mr. KASTENMEIER, Mr. RACE, Mr. REUSS; Wyoming: Mr. RONCALIO.

Eighty-eight Members from thirty-seven States.

TAXPAYERS IN NEARBY PRINCE GEORGES COUNTY, MD., PAY \$1 MILLION TRIBUTE TO FEDERAL RESERVE BOARD HIGH-INTEREST POLICIES BACKED BY WALL STREET BANKERS

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. PATMAN. Mr. Speaker, it is high time that we faced the fact that all

across our land money is getting tighter and interest rates are rising. This is not good news for businessmen, consumers, and, most of all, for communities which must borrow millions at a clip to finance such expensive, but absolutely necessary, civil improvements such as schools, highways and streets, sewers and other projects. We are all dependent upon the money market, and particularly the commercial banks, for our financing needs whether we want to buy a home, automobile, boat, and, most of all, new public improvements.

I have said before that tighter money and high-interest rates are a recipe for recession, and very few will disagree with me. The cause of this latest flirtation with economic disaster is the Federal Reserve's irrational addiction to ever-higher interest rates, which in recent weeks has resulted in tighter money, higher borrowing costs, and an uncertain bond market. The recent unpleasant and ominous experience of nearby Prince Georges County, Md., just across the District line from where we sit, as reported in the March 3 Washington Post, is a good example of what I am talking about. The bond counselor for Prince Georges County said that the county was caught by "an unfortunate change in recent weeks." What he is talking about, of course, is the Federal Reserve open market operations to tighten up our money supply. As a result, Prince Georges County residents will have to pay an extra million dollars in interest costs just on this one bond offering over and above the previous rate mentioned in the article.

Now all this talk about tight money and interest rates is not just idle chatter on my part; far from it, because just within a matter of weeks after experiencing the interest rate debacle the Prince Georges County Commissioners, as reported in the Washington Daily News of April 23, are raising the property assessment 11 cents, a hefty increase in the citizens' tax burden. So, when interest rates go up, there is always a predictable burden on the average citizen in his annual tax bill. This will always result. The Prince Georges example may very well be multiplied 10,000-fold in every congressional district in all 50 States before the Fed's latest tight money campaign runs its course and triggers recession, a rise in unemployment and poverty, and requires more Government programs.

The newspaper articles follow:

[From the Washington (D.C.) Post, Mar. 3, 1965]

INTEREST RATE RISES ON COUNTY'S BONDS

Prince Georges County sold \$18.3 million worth of school and road bonds yesterday at an interest rate of 3.234 percent, a higher rate than on its last two yearly sales.

The interest rate, averaged over the 25-year life of the bonds, was also markedly higher than the 3.06 percent rate obtained by Montgomery County on \$10 million in bonds January 12.

The low bid was made by Chase Manhattan Bank & Associates, one of six bidders.

This year's interest rate is slightly higher than last year's 3.136. The county obtained its lowest rate, 3.019 percent, 2 years ago.

Bond Counselor Edward O. Clarke of the Baltimore firm of Smith, Somerville & Case,

said Prince Georges was caught by "an unfortunate change in recent weeks."

"From what our bond counsel has told us," Acting Commission Chairman M. Bayne Brooke said, "the bond market has been off during the past month and compared with other comparable sales we did very well indeed."

Moody's Investors Service Bond Survey, which reports nationally on municipal bond sales, reported last month that after yesterday's sale, the per capita debt in Prince Georges would be \$299 and the total indebtedness would be 11.4 percent of the total assessed valuation.

"These ratios, while not low, are amply protected by the rising tax base," Moody's said.

[From the Washington (D.C.) Daily News, Apr. 23, 1965]

UP 11 CENTS PER \$100: PRINCE GEORGES HIKES TAX RATE

Prince Georges property taxes will go up 11 cents—to \$2.79 per \$100 assessment—in June to finance the \$95.4 million budget adopted yesterday by the county commissioners.

Original spending requests from department heads would have hiked taxes nearly 40 cents, but the commissioners trimmed away \$1.8 million and found nearly \$1.5 million in new revenue and savings. Last year's budget was \$81 million.

The continuing boom in the county, one of the fastest growing areas in the Nation, hiked property values from \$1.316 to \$1.551 billion last year, adding more than \$3 billion in tax receipts.

In their 6-week study of the budget, the commissioners cut \$1.1 million from school requests; \$250,000 from police spending (despite adding the 46 officers); \$150,000 from roads; and \$80,000 from the county hospital subsidy.

Actions by this year's legislature will give the treasury an extra \$1 million from a property sales levy increase, and \$390,000 in additional State education aid. A new insurance program will save \$36,000 on premium payments.

Takoma Park will pay a \$2.77 property rate, reflecting a 2-cent allowance for the city's own library system.

ROLLCALL NO. 99

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I was unavoidably absent for rollcall No. 99, the Health Research Facilities Act. I was on my way back to Washington from New York City where this morning I was chairing hearings of the General Education Subcommittee of the Committee on Education and Labor on H. R. 7177 and related bills to extend the Juvenile Delinquency and Youth Control Act of 1961.

Had I been present for rollcall No. 99, I would have voted "aye."

THE PROBLEM OF SILVER AND COINAGE

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Nevada [Mr. BARING] may extend his

remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BARING. Mr. Speaker, there has been a great deal of discussion in recent months about the problem of silver and the coinage. Much has been said in this body, and much has been said in the Nation's press.

For many months the Treasury Department has been conducting a study, and it is sincerely hoped by all concerned that the Department's recommendations will be sent to the Congress as soon as possible.

We have heard a great deal of talk about how our silver stocks are dwindling, and the Treasury has been warned that if a change is not made soon in the silver content of our coins, we will run out of silver in a few years. Some have gone so far as to recommend that all silver be removed from our coins so that Treasury stocks and new production would be available for industrial uses. Some have even gone so far as to maintain that silver is too precious a metal to be used in our Nation's coins. Yet these same people do not find silver too precious to be used in knives and forks, although such use can hardly be called a critical national defense need.

When listening to these arguments, I suggest that my colleagues ask themselves the question, "What is the most important use of silver?" Certainly we need silver in the manufacture of photographic materials, in solders and brazing alloys and in electrical and electronic products. In 1963 space and defense applications consumed at least 8.5 million ounces. The use of silver in the fabrication of sterling and plated ware is an important application, although no one would seriously regard it as the most important use of this precious metal.

I firmly believe—and I am convinced that this belief is shared by millions of Americans—that one of the most important uses of our silver, if not the most important, is its use in our coins. The fact that the American citizen knows that his dime, his quarter and his half dollar contain silver gives him confidence in these coins and confidence in our entire monetary system. Some jeer at this, pointing out that there is as much confidence in a \$10 bill as there is in a dime, which by virtue of its silver content has intrinsic value. Some say there is no logic to this belief; some call it emotionalism or old fashioned. Perhaps, but the attitude of the American citizen toward his money is of vital importance in today's economic world as it has been throughout the history of our Republic.

Many of my distinguished colleagues from the West have expressed this view far better than I, and what has been the answer? Some have said that the feeling for sound money, the love of silver money, is a vestige of the past and is only reflected by the people in the West where much of our silver is mined today. There is no doubt that we in the West have been more outspoken on this subject, but I do not believe our citizens

in other parts of the country would support the complete removal of silver from our coins. I have had collected for me some editorials from newspapers published in some of our non-Western States, which substantiate this view. Some of these papers are large and some are small.

Here is a quote from an editorial in the Lakeland, Fla., Ledger of March 4, 1965:

The Ledger suggests that U.S. mints be operated to serve the public at large, and not cater to the special interests of a relatively few persons. We submit that these two reforms alone—elimination of the mint mark and of the date from the design of coins—would go a long way toward solving the coin shortage. Perhaps enough, even, to permit the continued use of unadulterated silver. We believe that a sudden change to some base metal or plastic in our dimes, quarters, and half-dollars would have a bad psychological effect on the public respect for all U.S. currency.

An editorial from the Atlanta, Ga., Times of March 28, 1965:

With the continuing devaluation of the American dollar through inflation, and the ever-upward spiral of wages and prices, it is a questionable action to remove silver from our coins.

Here is a quote from the Greenfield, Ind., Reporter of January 30, 1965:

The feel, the sound, the sense of value and security in our present coinage are important roots of our American stability. Real silver money will help us retain our self-respect both at home and abroad.

From the Baton Rouge, La., Advocate of February 4, 1965:

The public has been accustomed to the idea of some coins, nickels and pennies, being made of different kinds of metals.

Coins of a different metal would buy as much or as little as they now buy. But the appearance of the coins, and ultimately the psychology of their users, still must be considered. These considerations favor an eventual reduction of the amount of silver in small coins rather than elimination of its use.

Here is what the Niles, Mich., Star said on March 22, 1965:

If the coinage is to be stripped of its silver, then Washington may be assaulting the faith of the American people to continue to believe in the progress of this economic system.

One of the most significant editorials that has crossed my desk is from the April 5, 1965, Watertown Times, of Watertown, N.Y. It is entitled, "Keep Silver in Coins," and I would like to present it to you in its entirety:

Disturbing the present composition of silver coins, which has existed since 1792, is considered dangerous, despite a necessity to relieve the shortage, one which becomes more serious year after year. So far no corrective measures have been undertaken. Suggestions have been made that the composition of the coins be drastically changed so that there will be less silver used.

Simon D. Strauss, vice president of the American Smelting & Refining Co., had some interesting remarks to make in a speech before the New York Society of Security Analysts. He is emphatically opposed to abandonment of silver coins in favor of some other metal that is less scarce.

Mr. Strauss warns: "The lesson of history is that when currency of intrinsic value disappears completely from the monetary sys-

tem, in due course the currency of that nation loses substantially all of its value. This was true as far back as the ancient Greek city-states and the Roman Empire; it was true of Germany, Japan, and Italy as recently as World War II."

Mr. Strauss pointed out that the United States has inherited a coinage that has survived unchanged since 1792, adding: "In that year when Alexander Hamilton, the first Secretary of the Treasury, asked Congress to authorize the minting of coins containing 90 percent silver and 10 percent copper, he hit upon a composition that has met all the tests of a satisfactory coinage. Silver coins are attractive, durable, hard to counterfeit, and meet the psychological need of the public for a coinage of real value that carries the ring of authenticity."

The Government needs to find other means to relieve the silver shortage than to reduce or eliminate entirely the amount used in the composition of the silver coins. There is little question that once the public is told of plans to distribute new coins without silver, hoarding of the silver coins will move at a much faster pace and eventually none will be found in circulation.

Disturbing the present composition of the silver coins is dangerous, and any idea of making a drastic change should be abandoned. Other avenues must exist to find a way out to relieve the shortage. Eventually, the Government will unearth a plan but in the meantime it must realize that the risk is too great to tamper seriously with the present composition of our silver coins.

Mr. Speaker, there is no need to remove silver entirely from our coinage. Certainly the silver content must be reduced, but it is vital that some silver be retained in our coinage. By reducing the silver content to one-third, the Treasury's silver reserve for coins would be approximately tripled. There are some 1.9 billion ounces of silver currently outstanding in coins. Many of these coins will be recovered over the years ahead, and this silver can be used for new lower content coins. The producers of silver have announced new production increases within the next 4 years which would increase free world silver production by 18 percent.

This new production along with present Treasury reserves and silver obtained from melting present coins will provide a long-term supply of silver for our Nation's coin needs as well as the needs for industry and the arts.

A BILL FOR THE DEVELOPMENT OF WATER SYSTEMS IN RURAL AREAS

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. BANDSTRA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BANDSTRA. Mr. Speaker, I am today introducing a bill that would establish, under the Farmers Home Administration, a program for Federal grants to aid in the development of water systems in rural areas.

An adequate water supply is one of the greatest needs of rural America. A small community in a rural area may possess good sites for industrial development,

good transportation, good communications, and good government.

However, if it lacks an adequate and dependable water supply, the community cannot hope to keep up with the economic growth taking place in so many parts of the Nation.

Past experience has shown that the Federal Government can play an important and constructive role in promoting rural development. The Rural Electrification Administration, for example, has demonstrated that it is possible to bring the power resources of an industrialized society to rural areas.

The purpose of this bill is to make sure that small towns and farming areas have the opportunity to make the most of their water resources and to share in America's economic growth.

The bill would amend the Consolidated Farmers Home Administration Act of 1961, as amended in 1962 by Public Law 87-703 and Public Law 87-798.

The bill, first of all, provides for the authorization of Federal grants totaling up to \$25 million in any fiscal year to help finance projects in rural areas for the storage, treatment, purification, or distribution of water.

These grants would be available to public or quasi-public agencies and non-profit corporations for development of water systems in areas where there is a community of less than 5,000 population.

Secondly, the bill would authorize Federal grants of up to \$5 million in any fiscal year for comprehensive planning in the development of rural water systems.

A similar bill, S. 1766, has been introduced in the Senate and has gained strong support there. I am hopeful that my fellow Members in the House of Representatives will recognize the need for this legislation.

SENIOR CITIZENS MONTH

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OTTINGER. Mr. Speaker, on April 10 President Johnson proclaimed May 1965 as senior citizens month. In his proclamation, the President stated:

It is a time dedicated to community action on behalf of older Americans. Their hopes and their problems are shared by us all. It is up to us to help them solve them.

Our older Americans have made significant contributions to the progress and development of our country; yet, many of us tend to forget or ignore their problems and their aspirations.

One organization that never forgets our older Americans and that is continually striving to assist them is the Westchester County Council of Senior Citizens, headed by Mr. Paul Leith. This group, particularly, has made significant efforts to promote senior citizens month and I should like to take this opportunity to present some of the material it has distributed in preparation for this event.

The first item is a statement adopted by the council last February on senior citizens month:

SENIOR CITIZENS MONTH, MAY 1965

(A statement adopted by the Westchester Council of Senior Citizens at White Plains on Feb. 18, 1965)

The month of May was proclaimed as senior citizens month by New York State Governors since 1954, and for several years by U.S. Presidents. In his proclamation of March 26, 1964, President Lyndon B. Johnson stated:

"I urge all public and private organizations and all citizens to have the theme of this special month, Opportunities for Older Americans, become a living reality. Let us repay our older Americans for their sustained creative participation in our national and community life by providing them with a wide range of meaningful opportunities. Let us take all necessary steps to see that they have a real chance to enjoy health and a life of dignity. Let us find ways to employ the skill and wisdom that so many of our older Americans possess and long to share. Let us make this month outstanding in our continuing effort to keep in the mainstream of our national life all those who have lived so long and contributed so generously."

President Johnson has already indicated the theme for this year: "Community action for senior citizens."

Proclaiming May 1964 senior citizens month in the State of New York, Governor Nelson A. Rockefeller declared on March 24, 1964:

"We observe this month, in recognition of the contributions made by countless citizens of this State, fully realizing that it is but a small token for those to whom we owe so much. The task before us requires our dedication every day of the year."

These noble sentiments indicate the need for a varied, comprehensive program of activities and events during the entire month of May. Observance of senior citizens month should not be limited to a 1 day celebration. It should involve all appropriate Federal, State, county, town and village boards and departments, as well as civic and fraternal organizations. The needs of senior citizens should be discussed in town meetings and in meetings of organizations; e.g., medicare, housing, tax relief, low-cost drugs, etc.

Last year, Westchester County and the Town of Cortlandt celebrated senior citizens day. In most of the cities, towns and villages, senior citizens month went by unnoticed. Let us resolve that this shall not happen this year. Let the public authorities in every city, town and village proclaim May 1965, as Senior Citizens Month and make extensive plans for its celebration.

The Westchester Council of Senior Citizens requests the county board of supervisors to bring the message of senior citizens month to the people of the county through their various departments. We request all senior citizens clubs in Westchester County to adopt as their own the Senior Citizens Charter passed by the 1961 White House Conference on Aging. We request all newspapers in the county to print this charter and comment editorially on it; we request churches, and civic and fraternal organizations to print the charter in their bulletins.

The Westchester Council of Senior Citizens particularly requests the Mayor's Advisory Committee on Aging in the city of Yonkers, the Citizens Advisory Committee on the Aging in New Rochelle, and the Senior Citizens Advisory Board in Mt. Vernon to set an example to the other cities, towns and villages in the county, by drawing up a comprehensive program of activities by the entire community during the whole month of May. We hope that by May 31, there will not be a city, town or village in the

county without a local committee on aging, appointed by the responsible public authority. We hope, too, that by May 31, there will not be a village in the county without a senior citizens club.

We request all newspapers and radio stations to further the aims of Senior Citizens Month. Special radio programs interviewing senior citizens and public officials could be arranged.

We request school authorities to arrange for senior citizens club members to speak before school classes as "living pages of American history." Senior citizens club members could be invited to school entertainments. School children should also be encouraged to devise special projects to honor their grandparents and other senior citizens during the month of May.

We request all adult organizations and clubs to honor their members who are 65 years and over, and to consider what they can do for all senior citizens in their community.

We request all senior citizens clubs to re-examine what their club and individual members can do to help their community. This is an obligation of senior citizens. We request all senior citizens clubs to bring senior citizens month to the attention of their community authorities and organizations, recommending plans to their city, town and village boards. Let us all work together, so that our celebration of May 1965 as senior citizens month may be a shining example for the Nation of what the people of Westchester County can do.

PAUL LEITH, President.

CROMPOND, N.Y.

The following is a letter which was sent to 46 mayors and supervisors in Westchester County. Accompanying this letter was a copy of the Senior Citizens Charter.

WESTCHESTER COUNCIL OF SENIOR CITIZENS,

Crompond, N.Y., March 3, 1965.

DEAR SIR: Enclosed is a statement on "Senior Citizens Month—May 1965" adopted by the Westchester Council of Senior Citizens. It calls for the widest participation by local government and private agencies and of the people generally in observance of senior citizens month, annually proclaimed by President Johnson and Governor Rockefeller.

We hoped that your city (town or village) will participate fully in this celebration. May I make the following suggestions:

1. A discussion on senior citizens month by your council (or board) (a) on the significance of the celebration, on the situation of the elderly in your area, and whether improvements can be made by government or private action to make the lot of the senior citizens a happier one. For example, health care, housing, etc.; (b) on whether or not the existing senior citizens clubs are adequate to meet the need; (i) the number of clubs; (ii) their capacity; (iii) the nature of their programs; (iv) transportation problem.

2. Selection of a local committee on aging as proposed by the 1961 White House Conference on Aging. There are only three in all of Westchester County.

3. A proclamation on senior citizens month.

4. A "town meeting" to honor senior citizens, a certificate of award to "the senior citizen of the year", etc. A reception at city (town, village) hall. Awards to active senior citizens in professional, artistic and business circles.

5. The schools, in particular, should be involved.

Would you be kind enough to let me know what action you plan on this?

Sincerely yours,

PAUL LEITH,
President.

SENIOR CITIZENS CHARTER
(Adopted by the 1961 White House
Conference on Aging)

RIGHTS

Each of our senior citizens, regardless of race, color or creed, is entitled to:

1. The right to be useful.
2. The right to obtain employment based on merit.
3. The right to freedom from want in old age.
4. The right to a fair share of the community's recreational, educational, and medical resources.
5. The right to obtain decent housing suited to needs of later years.
6. The right to the moral and financial support of one's family so far as is consistent with the best interest of the family.
7. The right to live independently, as one chooses.
8. The right to live and die with dignity.
9. The right of access to all knowledge as available on how to improve the later years of life.

OBLIGATIONS

The aging, by availing themselves of educational opportunities, should endeavor to assume the following obligations to the best of their ability:

1. The obligation of each citizen to prepare himself to become and resolve to remain active, alert, capable, self-supporting, and useful so long as health and circumstances permit and to plan for ultimate retirement.
2. The obligation to learn and apply sound principles of physical and mental health.
3. The obligation to seek and develop potential avenues of service in the years after retirement.
4. The obligation to make available the benefits of his experience and knowledge.
5. The obligation to endeavor to make himself adaptable to the changes added years will bring.
6. The obligation to attempt to maintain such relationships with family, neighbors, and friends as will make him a respected and valued counselor throughout his later years.

The council also sent special letters to the 47 school superintendents and district principals in Westchester County; to the 47 senior citizens clubs in the county; and, to the 29 newspaper editors which serve the county.

I am privileged to present some of this material as it is a fine example of community service in action. I feel all Americans should know of the splendid work which the Westchester Council of Senior Citizens has done, not only in preparing for Senior Citizens Month itself, but for the service it has done by making the community aware of our older Americans.

PRESIDENT JOHNSON'S POLICY ON
VIETNAM IS A POLICY FOR PEACE

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BYRNE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, the following editorial from the great Philadelphia newspaper, the Philadelphia Inquirer of April 29, 1965, deals with one of the most important problems facing the country today and calls to the

attention of the people of America that President Johnson's policy in Vietnam is a policy to bring about world peace and should be supported by all peace-loving, freedom-loving nations.

The editorial is as follows:

IN QUEST OF NEGOTIATION

It is easy enough for the critics of President Johnson to talk, in the abstract, about negotiating a peaceful settlement in Vietnam.

The President, however, cannot deal in abstracts. He must work with realities. He cannot simply ignore the obstacles to peace. He must overcome them.

He is confronted with the extremely difficult problems of how to get meaningful negotiations started and how to achieve a bona fide peace that will be something more than merely a camouflaged surrender to Communist conquest.

In his forthright opening statement at Tuesday's news conference, and in subsequent answers to questions, President Johnson came to grips with these problems.

With timely and appropriate reference to the appeasement of Hitler at Munich in 1938, which prepared the battleground for the Second World War, Mr. Johnson applied the lesson to Vietnam. "To yield to aggression," he said "brings only greater threats and brings even more destructive war. To stand firm is the only guarantee of a lasting peace."

The U.S. strategy in Vietnam, fundamentally, is to bring about a peaceful settlement, within the framework of freedom, by convincing the Communist North Vietnamese that there will be no cheap and easy victory—or, in fact, any victory at all—by force of arms.

President Johnson continues to take the initiative in opening the door to negotiation. "I say again that I will talk to any government, any where, any time, without any conditions, and if any doubt our sincerity, let them test us."

It is hard to imagine how the door could be opened any wider.

We hope the chronic critics of administration policy laid down their signs of protest long enough to hear the President's words. It would be a refreshing change of pace if so-called proponents of peace would get behind the President in his quest for a peaceful solution.

Cooperation from allies would be helpful, too. Charles de Gaulle's latest outburst of caustic comment, denouncing U.S. efforts to stem the tide of Communist aggression in southeast Asia, is a vicious kind of sniping that hurts the chances for peace.

An international conference may be taking shape in Cambodia—a parley that could lead to negotiations on Vietnam. The U.S. State Department has served public notice of this country's willingness to participate. President Johnson's renewed bid for negotiations is well timed and could produce affirmative response.

THE COLD WAR AND THE "R"
FACTORS

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. ZABLOCKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, it was my pleasure to attend the Capitol Hill First Friday Club breakfast at St. Peter's Catholic Church Hall, Second and C Streets SE., on May 7. The president

of the club, William P. Cochrane, introduced Comdr. Joseph F. Cloonan, U.S. Navy, assistant fleet chaplain, CINCATL FL, Norfolk, Va., who gave a most inspirational talk on "The Cold War and the 'R' Factors."

Father Cloonan, a native of Pittsford, N.Y., was ordained in 1944, commissioned in 1948, and has served his country in Korea with the 1st Marine Air Wing and at naval bases in Alaska, California, Maryland, and the District of Columbia. Father Cloonan's remarks are constructive and significant and I herewith enter his speech:

THE COLD WAR AND THE "R" FACTORS

The other day the young wife of a serviceman phoned me. Her husband is deployed in the Mediterranean. He has been gone for months and won't be home for another 7 weeks. "Do 7 weeks seem like a long time to you?" she asked. I answered by telling her of the little boy who said: "Poppa, how heavy is a ton of coal?" The father answered: "It depends on whether you are shoveling the coal or merely looking at it." He was stressing the factor of relativity. This is our first R factor.

There is much talk nowadays of the cold war. But in Vietnam, our servicemen don't think of it as cold. They are too close to its center to make that mistake. Not so with us on its edges. Again the factor of relativity.

A Marine colonel who had been involved in much bitter fighting in Korea was rotated home. He flew into San Francisco. He said it was another world having no apparent connection with Korea where—as we know now—about a million people killed each other off. He noted the contrast between the grim business of war in one country and the false facade of peace in the other. It takes thought and thoughtfulness for one not actively engaged in it to be conscious of the hot part of the cold war. Otherwise, he lives in a separate world, an unreal world, his isolated little world of peace. The Marine colonel was conscious of the heat of the cold war. He doubted that the average San Franciscan was. Again the factor of relativity.

An epitaph on a country tombstone describes fairly well one who is unconscious of the world in which he lives:

"Here lie the bones of Maggie Jones.
For her, life held no terrors.
Aloof she lived.
Aloof she died.
No hits, no runs, no errors."

No hits, no runs, no errors. Of course, she never got in the game; she was never in touch with the struggling world around her.

Pass over from the realm of the cold war, if you will, to a more spiritual realm where we run the risk of aping Maggie Jones. (Actually, they are the same but seen in a different context. Again the factor of relativity.) Our times bear the label of the cold war. The newspapers never refer to these days as the era of the redemption. This is our second R factor. But we Christians know that we are living not only in the year of our Lord 1965 but we are living in the age of the redemption. And because we are conscious of this world of the redemption we are not scandalized by the struggle between good and evil, by countries divided against themselves, by the furious wars waged in our souls. For Christ our Lord forewarned us that the world—whose prince is Satan—would oppose the world of the redemption. And we have His promise that although evil may have its hour—and a relatively long, long hour it may seem—good will finally have its day.

Will God bring this about?

Yes, but not without our cooperation.

Augustine said that individuals may be forgiven for their crimes. Nations cannot. The whole culture pays for its crimes. It may take generations before the day of reckoning comes but that day is inescapable. History verifies this. Culture after culture, civilization after civilization rose, flourished and fell. Except for the relatively few instances where they were destroyed by enemies from without, they were toppled by their own weight of evil. Let's summarize the four great stages through which a civilization goes (nothing political is intended here; these are simply sociological changes which occurred in most civilizations):

1. The first is a pioneer stage, marked by an unconscious obedience of the natural law. Men eat only if they work to provide food. The hardy survive, the weak die off. A rifle in one hand, a hoe in the other marks their living.

2. In this stage more and more of the necessities of life are provided. There are fewer obvious dangers to the welfare of the community.

3. In the third stage, most of the citizenry are guaranteed the necessities of life. Many enjoy luxuries. Parasites grow rapidly in this stage. It is possible for them to waste while better men work.

4. The final stage of a civilization comes when luxuries are confused with necessities. The people become soft, comfort-loving, complacent, lulled into a sense of false security. Julius Caesar used an expressive phrase to describe a people in this fourth stage. He wrote that it was possible for him easily to take over one Germanic tribe without a battle because they had made their souls effeminate. The vast majority of cultures have not been able to survive this fourth stage.

What has all this to do with us? It should remind us of the folly of trusting our future to a society rather than to ourselves. You and I live in a society where more than our dairy products are homogenized. This is the age of the group. The individual is the loner, the eccentric. Today, the one is not as important as the many. Ours is fertile soil for the growing of committees. And yet a modern historian, Schlesinger, has reminded us that "everything that matters in our intellectual and moral life begins with an individual confronting his own mind and conscience in a room by himself." But the world feels that it has a right to our front rooms. And, sheeplike, we pay for installing the television there, the all-seeing, hypnotic eye of TV. In such a society as ours it is easy to be a Maggie Jones, to bind ourselves and our hopes in the group. But the society, even the Great Society, won't save us. That is still the individual's job. It is still the one thing necessary.

And whether you and I are conscious of this age of crisis which the world calls cold war but which the man of faith calls the age of redemption, whether you and I are in the frontlines or whether we are bringing up the rear—even walking the other way—depends on you and me.

But the problem is ourselves. It is the tricky problem of human nature. Willful, cantankerous, proud, and pouting human nature. How to make it divine? There's the question. And we answer: "We would like to be divine but it is so comfortable being human. All of us want to be better than we are but it's so difficult being good. We want to be at peace with ourselves; but we don't want the struggle that makes peace possible. We would like to ascend the lofty heights of spirituality but we don't like that first step of self-denial. We would like to introduce into our living the values left us by Christ. But we don't want to pay the high price involved, especially since no green stamps are given for effort. We would truly like to love everyone but the truth is we don't love ourselves."

That's the problem. What's the answer? If you don't know it, start reading the New Testament as if it were the latest best seller, as if it were really new.

I mentioned Maggie Jones as a type of one answer to this question. Let me conclude by reminding you of an over-80-year-old man who fought himself fiercely his whole life to erase his mountainous self-love in order to hand himself over to Christ. He succeeded so well that in our day of snobs and scoffers, people all over the world mourned his death as they would a brother. And the mark left on the world by John XXIII was the mark of the redemption. And as you well know, the R factor of the redemption is not relative. It is an essential for every life. And it always demands a continuing Good Friday for a glorious Easter.

VERITAS MEDAL OF PROVIDENCE COLLEGE

Mr. LOVE. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ALBERT. Mr. Speaker, on Saturday, May 8, our great and beloved Speaker was the recipient of the Veritas Medal of Providence College. This is the highest award which that outstanding college bestows upon those whom it singles out for devoted service. To receive the award is, of course, a signal achievement.

I was happy to be among the host of the Speaker's friends, including the President of the United States, who were present when the award was made. We were all delighted that Mrs. McCormack, the beloved wife and lifelong helpmate of the Speaker, was honored along with her husband. I know I speak the sentiments of all Members of the House when I extend to the Speaker and Mrs. McCormack our heartfelt congratulations.

Under leave to extend my remarks, I include the citation, the address of the Speaker, and the address of President Johnson:

CITATION FOR AWARDING OF PROVIDENCE COLLEGE'S VERITAS MEDAL FOR DEVOTION TO PROVIDENCE COLLEGE, MAY 8, 1965, SPEAKER'S OFFICE, U.S. HOUSE OF REPRESENTATIVES, TO THE HONORABLE JOHN WILLIAM MCCORMACK

JOHN WILLIAM MCCORMACK, respected, capable and dynamic Speaker of the House of Representatives of the Congress of the United States, you have served your country as an eminent statesman in the Halls of Congress for more than 35 years. Starting in 1928, you have been elected to the Congress for 18 consecutive terms. In 1941, you were elected majority leader of the House of Representatives and you served in that exacting position more than twice as long as anyone else in the entire history of the Congress. Upon the death of your devoted colleague and peerless leader, Sam Rayburn, you became Speaker of the House in January 1962.

In November 1963, you reached a most eminent position in American Government. As Speaker of the House of Representatives, upon the assassination of John Fitzgerald Kennedy, you automatically became America's second most influential Government personage as the direct successor to the supreme office of President of the United States.

Your enviable record of achievement in shaping the course of our Government in

both domestic and foreign affairs composes a brilliant chapter in American political history and is a tribute to your dedication to the highest ideals of our democracy.

Woven closely in rich golden threads into the magnificent fabric of your love of God and country has been your constant devotion to your charming wife who gave up a promising career as an opera singer to travel together with you from your early days in Boston's rugged political area to the present, and on into the future. You have always considered the paramount pleasure of your life to have a dinner at home every night with your beloved and graceful wife, Harriet Joyce McCormack.

As an honorary alumnus of Providence College, you have adorned your Nation and our college with noble deeds. Your life reveals an awareness of the blessings of freedom, opportunity, and human dignity insured by the Constitution of the United States. Your service to the country and its citizens and your fond devotion for Providence College merit grateful recognition. I know that my learned and saintly predecessor, Father Robert Joseph Slavin, whom you and Harriet loved as your own, is smiling benignly upon us today as we confer upon you the highest award within our power, our Veritas Medal, on this 8th day of May in the year of our Lord, 1965.

REMARKS BY SPEAKER MCCORMACK

Father Dare, President of Providence College, Reverend Father's Speaker "Joe" MARTIN, Majority Leader CARL ALBERT, Majority Whip HALE BOGGS, my dear friends and colleagues, ladies and gentlemen, the Veritas Medal is an outstanding honor in the catalog of distinctions awarded by Providence College to those whom this society of scholarship seeks to single out for its approval. I am deeply touched in being selected as this year's recipient of this great honor and award from Providence College and I shall always appreciate and treasure the same.

For Mrs. McCormack and I have a deep feeling for the Dominican order and a special attachment for Providence College. For in addition to being one of our outstanding institutions of higher learning with its high intellectual attainments, our late dear and beloved friend, Father Robert J. Slavin, was its president for a number of years.

I value very much the reasons stated in the citation accompanying the award, particularly to the reference so properly and eloquently expressed about Mrs. McCormack.

I am very conscious of the significance of the title of this award—Veritas. Truth is one of the most majestic words in our language, one of the most important concepts of our civilization. It is a reality which every man in public life must strive for every day of his stewardship. It must also be a national goal for it provides the only solid foundation for any lasting achievement in our Nation's policy. Within its scope is implied realism and honesty and the courageous determination to do what is right.

I am sure that St. Thomas' definition of truth is well known. The great philosopher saw truth in the measured relationship between the outstanding and the actual fact. In the minds of those who shrug off hard reality and ask, "What is truth?" without waiting for an answer it is important that our beloved country be foremost among the seekers of truth in an uncertain world. It is important that this Nation in its dealings with its neighbors have the courage to follow the admonition of Shakespeare, "To thine ownself be true," and continue boldly to support the principles on which human rights and national honor must be based. It is important too that in our own lives we continue to develop a place for truth among our personal ideals realizing that it is still true today as it was 2,000 years ago that

"You shall know the truth and the truth shall make you free." This award is also of great significance in relation to our way of life, based upon truth given to us by God through his natural law. For our way of life is a philosophy based on eternal truth as compared with the atheistic Marxist philosophy based on falsity.

It is those historical forces of influences based on truth and particularly applicable to the world of today that constitute an affirmative and constructive power that we possess, as compared with the false philosophy of atheistic communism. For high military strength is vitally necessary, and we must realize that we have powerful and affirmative forces and influences based on truth that we should capitalize to the fullest extent possible. I again express to Father Dore and the other fathers and laymen responsible, my deep appreciation for this treasured honor conferred upon me by Providence College.

REMARKS OF THE PRESIDENT IN THE RAYBURN RECEPTION CENTER, U.S. CAPITOL, ON THE OCCASION OF THE PRESENTATION TO SPEAKER JOHN MCCORMACK OF THE VERITAS MEDAL, THE HIGHEST ACADEMIC AWARD OF PROVIDENCE COLLEGE

This is one occasion—and one audience—where the President of the United States is not the principal speaker.

I say that figuratively as well as literally. While there are many challenges I am willing to face, 30 years of close observation and study have persuaded me it would be unwise to challenge JOHN MCCORMACK to an oratorical contest on an occasion such as this.

I come not to speak publicly but simply to join quietly and privately in paying tribute to one of the most inspiring men I have known—and one of the great Americans of our times.

In times of peace, in times of war, in moments of tumult, and in times of tranquility, JOHN MCCORMACK has shown himself to be just that—a great man, a good man, a generous, and genuine man.

It is especially fitting that he should receive this medal from Providence College.

When we add up the sum of JOHN MCCORMACK's career, it is clear that he has devoted his public life to making this Nation and this world better and safer for young people. There can be no more noble use for life on this earth than that.

The name of this medal aptly describes the Speaker's most outstanding qualities—he is true and noble and faithful.

Theodore Roosevelt once wrote to a Member of Congress saying:

"I entirely appreciate loyalty to one's friends, but loyalty to the cause of justice and honor stands above it."

JOHN MCCORMACK has always been loyal to his friends. This is why they love him. But that loyalty has never come ahead of his fidelity to the cause of justice and honor. And that is why the Nation honors him and will never forget his leadership.

At the White House, Mr. Speaker, I operate under the rules of the Senate—where there is little limit on the length of a speech. In your presence, however, I am reminded of my days in the House where the limitations are somewhat more severe.

So while I have exceeded the 1-minute rule, I will quit speaking and like any good former Member of the House, take my seat before your gavel calls me to order.

EXCISE TAX REDUCTION

THE SPEAKER pro tempore. Under previous order of the House the gentleman from Michigan [Mr. O'HARA] is recognized for 30 minutes.

Mr. O'HARA of Michigan. Mr. Speaker, I was pleased to learn from yesterday's newspaper that the administration may be revising its thinking on excise tax reduction. According to an Associated Press account, the administration may ask Congress to eliminate some \$5 billion in excise taxes in a series of repeals and reductions over the next several years.

I wish to announce to my colleagues that I have introduced today H.R. 7999, a bill providing for a staged elimination of all excise taxes not earmarked for the highway trust fund, the wildlife restoration fund, or fish restoration and management projects.

H.R. 7999 differs in many respects from the legislation which is reportedly under consideration by the administration, but the concept of repealing these taxes over a period of years is similar.

My bill would provide for a one-third reduction in all such taxes beginning on July 1 of this year. A further reduction of one-third of the present excise tax rates would follow on July 1, 1966, and such taxes would be repealed effective July 1, 1967.

The revenue losses in the coming fiscal year from H.R. 7999 would be no more than the loss which would result from the frequently advocated repeal of retail excise taxes. It would also accomplish the objectives of excise reduction in a more equitable manner.

There is no logical reason for singling out retail excises for total repeal and leaving other onerous excise taxes untouched. In many cases, the excise tax upon telephone service and automobiles, for example, strikes harder at those who have difficulty in paying for what are to them necessities than the retail taxes on furs, jewelry, and toilet articles.

The reasons for my bill are, first, the excise tax is regressive and not based upon ability to pay; second, a staged reduction of excise taxes, as provided in my bill, will have a beneficial effect on our economy and will increase consumer purchasing power, and finally, most excise taxes have outlived their usefulness and no longer can be justified by the emergency war-time conditions which prompted their enactment.

In his appearance before the Democratic platform committee in August 1964, former Secretary of the Treasury Douglas Dillon said:

High priority should be given to a thorough overhaul of the hodge-podge of excise taxes remaining from World War II days.

He added:

Many of these taxes no longer serve their purposes. Instead they increase business costs, weigh unevenly on consumers, and are often an unnecessary nuisance to taxpayers and Government alike.

Mr. Speaker, I hope that this session of Congress will take action to reduce Federal excise taxes across the board and submit my bill as a possible vehicle for accomplishing this result.

For the benefit of those who may have missed it, I include the Associated Press dispatch regarding excise taxes, which appeared in the Washington Post of Sunday, May 9, at this point in the RECORD.

I also include the text of H.R. 7999 following the article:

[From the Washington Post, May 9, 1965]

PLAN TO REDUCE EXCISES GRADUALLY IS DISCLOSED

(By Sterling F. Green)

HOT SPRINGS, VA., May 9.—Administration officials disclosed today that Congress may be asked to eliminate some \$5 billion of excise taxes in a series of repeals and reductions over the next several years.

Plans under study would include the 10-percent tax on both new automobiles and telephone service in the midyear legislation, but provide for only small annual cuts—perhaps 1 or 2 percentage points annually for the next 5 or 10 years.

This plan, some officials contend, would erase the need to make the auto excise repeal retroactive. The industry has asked a retroactivity clause, to prevent prospective purchasers from staging a buyers' strike while waiting for the cut to take effect.

The recommendations still are under study. Officials predict privately that all decisions will be made in the next week or so, so that President Johnson can send draft legislation to Congress within the month.

Several administration officials including Treasury Secretary Henry H. Fowler and Commerce Secretary John T. Connor, are making speeches in Hot Springs to the Business Council, an organization of top industrialists.

Administration planners are reported to be in full agreement that the thriving economy needs no massive stimulus from tax reduction now. And while they foresee no major bulge in defense spending, they are said to feel that military uncertainties in Vietnam and elsewhere make it unwise to seek large immediate excise cuts.

Administration thinking at the moment calls for approximately this schedule of reductions, the official sources said:

On July 1, cuts totaling \$1.75 billion or thereabouts. These would include outright repeal of the retail nuisance levies on furs, leather goods, cosmetics, toiletries, jewelry, and some other items, plus a small cut in auto and phone-service levies and repeal or reduction of some other excises, such as those on electrical appliances, musical instruments, phonographs, radio, and television sets.

On next January 1 or perhaps July 1, 1966, further cuts on the latter group of commodities to a total of around \$700 million to \$800 million.

Starting July 1 and followed by yearly step-downs for several years, a gradual elimination of the Federal manufacturers' excise on new cars and on telegraph and telephone service, with the savings passed on to consumers.

No other major tax reduction until 1967 at the earliest. This apparently rules out proposals for another general income-tax cut next year.

It was made clear, however, that the long-range planning, calls for the elimination of all Federal excises, producing more than \$5 billion in revenues annually, except the taxes on alcoholic beverages and tobacco products and the highway-user levies on gasoline and other automotive items.

Hearings by the House Ways and Means Committee are expected to start immediately after Johnson's excise tax message is received. There is indication that the schedule of reductions already has been discussed with Chairman WILBUR D. MILLS, Democrat, of Arkansas.

The modest initial cuts proposed would disappoint many Members of Congress. Some lawmakers have talked freely of much larger immediate cuts, ranging up to \$3 or \$3.5 billion.

Administration men believe, however, that the pressure for big reductions at midyear has abated because of the thriving state of

the economy and the possibility of rising outlays for military purposes.

H.R. 7999

A bill to amend the Internal Revenue Code of 1954 to provide for the reduction and repeal of certain retailers and manufacturers excise taxes and the excise taxes on facilities and services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter F of chapter 31 of the Internal Revenue Code of 1954 (relating to special provisions applicable to retailers tax) is amended by redesignating section 4058 as section 4059 and by inserting after section 4057 the following new section:

"SEC. 4058. REDUCTION AND REPEAL OF CERTAIN TAXES.

"(a) REDUCTION.—The rate of tax imposed by sections 4001 (tax on jewelry and related items), 4011 (tax on furs), 4021 (tax on toilet preparations), and 4031 (tax on luggage, handbags, etc.), respectively, shall—

"(1) with respect to articles sold at retail after June 30, 1965, and before July 1, 1966, be 66⅔ percent of the rate of tax imposed by each such section which is in effect on June 30, 1965, and

"(2) with respect to articles sold at retail after June 30, 1966, and before July 1, 1967, be 33⅓ percent of the rate of tax imposed by each such section which is in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to articles sold at retail after June 30, 1967, sections 4001, 4011, 4021, and 4031 shall not apply."

(b) The table of sections of such subchapter F is amended by striking out

"Sec. 4058. Cross reference."

and by inserting in lieu thereof

"Sec. 4058. Reduction and repeal of certain taxes.

"Sec. 4059. Cross reference."

SEC. 2. (a) (1) Subchapter F of chapter 32 of the Internal Revenue Code of 1954 (relating to special provisions applicable to manufacturers tax) is amended by adding at the end thereof the following new section:

"SEC. 4220. REDUCTION AND REPEAL OF CERTAIN TAXES.

"(a) REDUCTION.—The rate of tax imposed by sections 4061(a)(2) (tax on passenger automobiles and certain trailers and semi-trailers), 4061(b) (tax on parts and accessories for motor vehicles), 4091 (tax on lubricating oil), 4111 (tax on refrigeration equipment), 4121 (tax on electric, gas, and oil appliances), 4131 (tax on electric light bulbs), 4141 (tax on radio and television sets, phonographs and records, etc.), 4151 (tax on musical instruments), 4161 (tax on sporting goods) (except for the rate of tax on fishing rods, creels, reels, and artificial lures, baits and flies), 4171 (tax on photographic equipment), 4181 (except for the rate of tax on firearms (other than pistols and revolvers) and shells and cartridges), 4191 (tax on business machines), 4201 (tax on pens and mechanical pencils and lighters), and 4211 (tax on matches), respectively, shall—

"(1) with respect to articles sold by the manufacturer, producer, or importer after June 30, 1965, and before July 1, 1966, be 66⅔ percent of the rate of tax imposed by each such section which is in effect on June 30, 1965, and

"(2) with respect to articles sold by the manufacturer, producer, or importer after June 30, 1966, and before July 1, 1967, be reduced to 33⅓ percent of the rate of tax imposed by each such section which is in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to articles sold by the manufacturer, producer, or importer after June 30, 1967, sections 4061(a)(2), 4061(b), 4091, 4111, 4121, 4131,

4141, 4151, 4171, 4191, 4201, and 4211 shall not apply."

(2) The table of sections of such subchapter is amended by adding the following new item:

"Sec. 4220. Reduction and repeal of certain taxes."

(b) Effective with respect to articles sold by the manufacturer, producer, or importer after June 30, 1967, subchapter D of such chapter is amended to read as follows:

"SUBCHAPTER D—RECREATIONAL EQUIPMENT

"Part I. Fishing equipment.

"Part II. Firearms.

"Part I—Fishing equipment

"Sec. 4161. Imposition of tax.

"SEC. 4161. IMPOSITION OF TAX.

"There is hereby imposed upon the sale of fishing rods, creels, reels, and artificial lures, baits, and flies by the manufacturer, producer, or importer a tax equivalent to 10 percent of the price for which so sold.

"Part II—Firearms

"Sec. 4181. Imposition of tax.

"Sec. 4182. Exemptions.

"SEC. 4181. IMPOSITION OF TAX.

"There is hereby imposed upon the sale of firearms (other than pistols and revolvers), shells, and cartridges by the manufacturer, producer, or importer a tax equivalent to 11 percent of the price for which so sold.

"SEC. 4182. EXEMPTIONS.

"(a) MACHINEGUNS AND SHORT BARRELLED FIREARMS.—The tax imposed by section 4181 shall not apply to any firearm on which the tax provided by section 5811 has been paid.

"(b) SALES TO DEFENSE DEPARTMENT.—No firearms, shells, and cartridges purchased with funds appropriated for the military department shall be subject to any tax imposed on the sale or transfer of such articles."

SEC. 3. (a) (1) Part I of subchapter A of chapter 33 of the Internal Revenue Code of 1954 (tax on admissions) is amended by adding at the end thereof the following new section:

"SEC. 4235. REDUCTION AND REPEAL.

"(a) REDUCTION.—The rate of tax imposed by section 4231 shall—

"(1) with respect to amounts paid after June 30, 1965, for admissions after such date and before July 1, 1966, be reduced to 66⅔ percent of the rate of tax imposed by such section which is in effect on June 30, 1965, and

"(2) with respect to amounts paid after June 30, 1966, for admissions after such date and before July 1, 1967, be reduced to 33⅓ percent of the rate of tax imposed by such section which is in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to amounts paid after June 30, 1967, for admissions after such date, section 4231 shall not apply."

(2) The table of sections of such part is amended by adding the following new item:

"Sec. 4235. Reduction and repeal."

(b) (1) Part II of subchapter A of such chapter (tax on club dues) is amended by adding at the end thereof the following new section:

"SEC. 4244. REDUCTION AND REPEAL.

"(a) REDUCTION.—The rate of tax imposed by section 4241 shall—

"(1) with respect to amounts paid after June 30, 1965, and before July 1, 1966, be reduced to 66⅔ percent of the rate of tax imposed by such section which is in effect on June 30, 1965, and

"(2) with respect to amounts paid after June 30, 1966, and before July 1, 1967, be reduced to 33⅓ percent of the rate of tax imposed by such section which is in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to amounts paid after June 30, 1967, section 4241 shall not apply."

(2) The table of sections of such part is amended by adding the following new item:

"Sec. 4244. Reduction and repeal."

(c) (1) Subchapter B of such chapter (tax on communications) is amended by adding at the end thereof the following new section:

"SEC. 4255. REDUCTION AND REPEAL.

"(a) REDUCTIONS.—The rates of tax imposed by section 4251 shall—

"(1) with respect to amounts paid after June 30, 1965, for communication services rendered after such date and before July 1, 1966, shall be reduced to 66⅔ percent of the rates of taxes imposed by such section which are in effect on June 30, 1965, and

"(2) with respect to amounts paid after June 30, 1966, for communication services rendered after such date and before July 1, 1967, shall be reduced to 33⅓ percent of the rates of taxes imposed by such section which are in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to amounts paid after June 30, 1967, for communication services rendered after such date, section 4251 shall not apply."

(2) The table of sections of subchapter B is amended by adding at the end thereof the following new item:

"Sec. 4255. Reduction and repeal."

(d) (1) Subchapter C of such chapter (tax on transportation of persons by air) is amended by adding at the end thereof the following new section:

"SEC. 4265. REDUCTION AND REPEAL.

"(a) REDUCTION.—The rate of tax imposed by section 4261 shall—

"(1) with respect to amounts paid after June 30, 1965, for transportation which begins after such date and before July 1, 1966, be reduced to 66⅔ percent of the rate imposed by such section which is in effect on June 30, 1965, and

"(2) with respect to amounts paid after June 30, 1966, for transportation which begins after such date and before July 1, 1967, be reduced to 33⅓ percent of the rate imposed by such section which is in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to amounts paid after June 30, 1967, for transportation which begins after such date, section 4261 shall not apply."

(2) The table of sections of subchapter C is amended by adding at the end thereof the following new item:

"Sec. 4265. Reduction and repeal."

(e) (1) Subchapter D of such chapter (tax on safe deposit boxes) is amended by adding at the end thereof the following new section:

"SEC. 4288. REDUCTION AND REPEAL.

"(a) REDUCTION.—The rate of tax imposed by section 4286 shall—

"(1) with respect to amounts collected after June 30, 1965, and before July 1, 1966, be reduced to 66⅔ percent of the rate of tax imposed by such section which is in effect on June 30, 1965, and

"(2) with respect to amounts collected after June 30, 1966, and before July 1, 1967, be reduced to 33⅓ percent of the rate of tax imposed by such section which is in effect on June 30, 1965.

"(b) REPEAL.—Effective with respect to amounts collected after June 30, 1967, section 4286 shall not apply."

(2) The table of sections of subchapter D is amended by adding at the end thereof the following new item:

"Sec. 4288. Reduction and repeal."

SEC. 4. (a) (1) Sections 4001, 4011, 4021, and 4041 of the Internal Revenue Code of 1954 are amended by striking out "There is hereby imposed" where it appears in each such section and inserting in lieu thereof

"Except as provided by section 4058, there is hereby imposed".

(2) Sections 4061(a), 4061(b), 4091, 4111, 4121, 4131, 4141, 4151, 4161, 4171, 4181, 4191, 4201, and 4211 of such Code are amended by striking out "There is hereby imposed" where it appears in each such section and inserting in lieu thereof "Except as provided by section 4220, there is hereby imposed".

(3)(A) Section 4231 of such Code is amended by striking out "There is hereby imposed" and inserting in lieu thereof "Except as provided by section 4235, there is hereby imposed".

(B) Section 4241 of such Code is amended by striking out "There is hereby imposed" and inserting in lieu thereof "Except as provided by section 4244, there is hereby imposed".

(C) Section 4251 of such Code is amended by striking out "There is hereby imposed" and inserting in lieu thereof "Except as provided by section 4255, there is hereby imposed".

(D) Section 4261 of such Code is amended by striking out "There is hereby imposed" and inserting in lieu thereof "Except as provided by section 4265, there is hereby imposed".

(E) Section 4286 of such Code is amended by striking out "There is hereby imposed" and inserting in lieu thereof "Except as provided by section 4288, there is hereby imposed".

(b) The amendments made by subsection (a) of this section shall take effect on July 1, 1965.

SEC. 5. Effective with the repeal of any excise tax imposed by the Internal Revenue Code of 1954 by the amendments made by the first section and sections 2 and 3 of this Act, the remaining provisions of such Code are hereby modified to the extent necessary to reflect such repeal.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BUCHANAN (at the request of Mr. GERALD R. FORD), for today and tomorrow, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FEIGHAN, for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. STALBAUM, for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. PUCINSKI, for 30 minutes, today.

Mr. HALPERN (at the request of Mr. McDADE) for 15 minutes, today.

Mr. O'HARA of Michigan (at the request of Mr. LOVE), for 30 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. ZABLOCKI (at the request of Mr. LOVE), for 30 minutes, on May 12, 1965; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. FRASER.

Mr. MURPHY of New York.

Mr. HARRIS to revise and extend remarks made in the Committee of the Whole today, to include a discussion of the importance of the research contract authority for the program of the Public Health Service, and to include a statement on the effect on the Public Health Service research program of limitations on expenditures for research contracts, and to include tables.

(The following Member (at the request of Mr. McDADE) and to include extraneous matter:)

Mr. MORSE.

(The following Members (at the request of Mr. LOVE) and to include extraneous matter:)

Mr. KEE.

Mr. CORMAN.

Mr. MONAGAN.

Mr. VAN DEERLIN.

Mr. RIVERS of South Carolina.

Mr. DOW.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1796. An act to amend the Small Business Act to provide additional assistance for disaster victims; to the Committee on Banking and Currency.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 7064. An act to amend the Foreign Service Buildings Act of 1926, as amended.

ADJOURNMENT

Mr. LOVE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 9 minutes p.m.) the House adjourned until tomorrow, Tuesday, May 11, 1965, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1065. A communication from the President of the United States, transmitting for consideration amendments to the request for appropriations for the legislative branch made in the budget for fiscal year 1966 (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

1066. A communication from the President of the United States, transmitting for consideration an amendment to the budget for fiscal year 1966 involving a proposed provision relating to appropriations for the American Battle Monuments Commission (H. Doc. No. 163); to the Committee on Appropriations and ordered to be printed.

1067. A letter from the Associate Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report on title I, Public Law 480 agreements signed during April 1965, pursuant to Public

Law 85-128; to the Committee on Agriculture.

1068. A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize travel and transportation allowances under certain circumstances for members of the uniformed services when ordered to make changes of permanent stations while away from their permanent stations under orders, and for other purposes; to the Committee on Armed Services.

1069. A letter from the Attorney General, transmitting a report of review of voluntary agreements and programs as of May 9, 1965, pursuant to section 708(e) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

1070. A letter from the Chairman, 1964 Committee on Law Enforcement in the District of Columbia, transmitting a report of the Council on Law Enforcement in the District of Columbia for 1964, pursuant to District of Columbia Code 2-1901; to the Committee on the District of Columbia.

1071. A letter from the Comptroller General of the United States, transmitting a report of potential savings through use of Government-owned housing to meet military requirements in the Tampa, Fla., area, Federal Housing Administration, Housing and Home Finance Agency, and Department of Defense; to the Committee on Government Operations.

1072. A letter from the chairman, Eleanor Roosevelt Memorial Foundation, transmitting the second annual report of the foundation for calendar year 1964 pursuant to Public Law 88-11; to the Committee on the Judiciary.

1073. A letter from the Postmaster General, transmitting a draft of proposed legislation to provide for the discontinuance of the Postal Savings System, and for other purposes; to the Committee on Post Office and Civil Service.

1074. A letter from the Chairman, U.S. Civil Service Commission, transmitting a report of proposed legislation to terminate cost-of-living allowances for statutory-salaried Federal civilian employees in non-foreign areas, and for other purposes; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 6, 1965, the following bill was reported on May 7, 1965:

Mr. MORGAN: Committee on Foreign Affairs. H.R. 7750. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; without amendment (Rept. No. 321). Referred to the Committee of the Whole House on the State of the Union.

[Submitted May 10, 1965]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS: Committee on House Administration. House Resolution 257. Resolution authorizing the printing of certain matter as an addendum to House Document No. 39 of the 89th Congress; without amendment (Rept. No. 322). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 289. Resolution authorizing the printing of additional copies of House Report No. 175, the report of the Joint Economic Committee on the January 1965 Economic Report of the President with minority and additional views; without amendment (Rept. No. 323). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 364. Concurrent resolution authorizing the printing as a House document of a revised edition of "The Capitol"; and providing for additional copies; without amendment (Rept. No. 324). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 383. Concurrent resolution authorizing the printing of a pocket-sized edition of "The Constitution of the United States of America" as a House document, and for other purposes; with amendment (Rept. No. 325). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 27. Concurrent resolution to print additional copies of a committee print entitled "Catalog of Federal Aids to State and Local Governments—Supplement, January 4, 1965"; without amendment (Rept. No. 326). Ordered to be printed.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 7596. A bill to amend title 10, United States Code, to remove inequities in the active duty promotion opportunity of certain Air Force officers; with amendment (Rept. No. 327). Referred to the Committee of the Whole House on the State of the Union.

Mr. MACDONALD: Committee on Interstate and Foreign Commerce. H.R. 806. A bill to amend the Textile Fiber Products Identification Act to permit the listing on labels of certain fibers constituting less than 5 percent of a textile fiber product; with amendment (Rept. No. 328). Referred to the House Calendar.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 5241. A bill to amend section 20a(12) of the Interstate Commerce Act to eliminate the necessity for prior approval of the Commission for a person to hold the position of officer or director of more than one carrier when such carriers are in a single integrated system of carriers lawfully operated under common control, and for other purposes; without amendment (Rept. No. 329). Referred to the House Calendar.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 5242. A bill to amend paragraph (10) of section 5 of the Interstate Commerce Act so as to change the basis for determining whether a proposed unification or acquisition of control comes within the exemption provided for by such paragraph; without amendment (Rept. No. 330). Referred to the House Calendar.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 5246. A bill to amend sections 20a and 214 of the Interstate Commerce Act; without amendment (Rept. No. 331). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 3415. A bill to equalize certain penalties in the Intercoastal Shipping Act, 1933; without amendment (Rept. No. 332). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 6164. A bill to authorize the Secretary of the Treasury to permit foreign-flag vessels to transport passengers between the United States and Puerto Rico to attend the Seventh Assembly of the World Convention of Churches of Christ; with amendment (Rept. No. 333). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 5988. A bill to provide that Commissioners of the Federal Maritime Commission shall hereafter be appointed for a term of 5 years, and for other purposes; without amendment (Rept. No. 334). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BANDSTRA:

H.R. 7998. A bill to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to authorize the Secretary of Agriculture to make or insure loans to public and quasi-public agencies and corporations not operated for profit with respect to water supply and water systems serving rural areas and to make grants to aid in rural community development planning and in connection with the construction of such community facilities, to increase the annual aggregate of insured loans thereunder, and for other purposes; to the Committee on Agriculture.

By Mr. O'HARA of Michigan:

H.R. 7999. A bill to amend the Internal Revenue Code of 1954 to provide for the reduction and repeal of certain retailers and manufacturers excise taxes and the excise taxes on facilities and services; to the Committee on Ways and Means.

By Mr. BOGGS:

H.R. 8000. A bill to amend the Ship Mortgage Act, 1920, relating to fees for certification of certain documents, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURTON of California:

H.R. 8001. A bill to amend section 302(c) of the Labor Management Relations Act, 1947, to permit the participation of retired employees of employers, employees of certain labor organizations, and employees of certain trust funds, as well as certain self-employed persons to participate as beneficiaries of welfare and pension trust funds; to the Committee on Education and Labor.

H.R. 8002. A bill to amend the Civil Service Retirement Act so as to provide relief for those employees involuntarily separated from service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLEVELAND:

H.R. 8003. A bill to amend the Internal Revenue Code of 1954 to provide that certain insurance agents shall be treated as outside salesmen for purposes of computing adjusted gross income; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 8004. A bill to strengthen intergovernmental relations by improving cooperation and the coordination of federally aided activities between the Federal, State, and local levels of government, and for other purposes; to the Committee on Government Operations.

By Mr. FINO:

H.R. 8005. A bill to amend the Urban Mass Transportation Act of 1964 to permit projects demonstrating new methods of financing existing service; to the Committee on Banking and Currency.

By Mr. WILLIAM D. FORD:

H.R. 8006. A bill to amend the Export Control Act of 1949; to the Committee on Banking and Currency.

By Mr. GIBBONS:

H.R. 8007. A bill to prohibit the manufacture, sale, or use in commerce of any motor vehicle which discharges substances into the air in amounts found by the Secretary of Health, Education, and Welfare to be dangerous to public health; to the Committee on Interstate and Foreign Commerce.

H.R. 8008. A bill to amend title 38 of the United States Code in order to make individuals, who die or are disabled from a disease incurred or aggravated in line of duty while performing inactive-duty training, eligible for certain benefits under that title; to the Committee on Veterans' Affairs.

By Mr. GRAY:

H.R. 8009. A bill to amend the Civil Service Retirement Act to provide for the inclusion

in the computation of accredited service of periods of service performed as a Work Projects Administration employee in an administrative or supervisory capacity, classified as noncertified and nonrelief; to the Committee on Post Office and Civil Service.

H.R. 8010. A bill to authorize the Secretaries of the Army, Agriculture, and the Interior to make Federal contributions to certain State water resource projects; to the Committee on Public Works.

By Mr. HARVEY of Indiana:

H.R. 8011. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. HERLONG:

H.R. 8012. A bill to provide for participation of the United States in the Inter-American Cultural and Trade Center in Dade County, Fla., and for other purposes; to the Committee on Foreign Affairs.

By Mr. HOSMER (by request):

H.R. 8013. A bill to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations; to the Committee on Agriculture.

By Mr. HUNGATE:

H.R. 8014. A bill to amend the Tariff Act of 1930, as amended, to limit button blanks to crude forms suitable for manufacture into buttons; to the Committee on Ways and Means.

By Mr. KEOGH:

H.R. 8015. A bill relating to the unlimited deduction for income tax purposes of charitable contributions; to the Committee on Ways and Means.

By Mr. MACHEN:

H.R. 8016. A bill to strengthen intergovernmental relations by improving cooperation and the coordination of federally aided activities between the Federal, State, and local levels of government, and for other purposes; to the Committee on Government Operations.

H.R. 8017. A bill to amend title II of the Social Security Act to provide that a survivor beneficiary shall not lose his or her entitlement to benefits by reason of marriage or a remarriage which occurs after he or she attains age 62; to the Committee on Ways and Means.

By Mr. MOORE:

H.R. 8018. A bill to amend the Internal Revenue Code of 1954 to provide an accelerated amortization deduction in certain cases for industrial or commercial plants and facilities constructed or established in economically depressed areas; to the Committee on Ways and Means.

By Mr. SCHISLER:

H.R. 8019. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mr. SISK:

H.R. 8020. A bill to amend section 8c(6) (I) of the Agricultural Marketing Agreement Act of 1937, as amended, to authorize provision for marketing promotion and paid advertising under marketing orders for plums, or nectarines; to the Committee on Agriculture.

H.R. 8021. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of certain Indians of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WATTS:

H.R. 8022. A bill relating to the unlimited deduction for income tax purposes of charitable contributions; to the Committee on Ways and Means.

H.R. 8023. A bill to amend the definition of earned income for income tax purposes in the case of contributions by self-employed individuals to pension and profit-sharing plans; to the Committee on Ways and Means.

By Mr. BELL:

H.R. 8024. A bill to provide a percentage deduction for certain expenses paid for the higher education of the taxpayer, his spouse, and his dependents; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 8025. A bill to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit the participation of retired employees of employers, employees of certain labor organizations, and employees of certain trust funds as well as certain self-employed persons to participate as beneficiaries of welfare and pension trust funds; to the Committee on Education and Labor.

H.R. 8026. A bill to amend the Clayton Act, as amended, by requiring prior notification of corporate mergers and acquisitions, and for other purposes; to the Committee on the Judiciary.

H.R. 8027. A bill to provide assistance in training State and local law enforcement officers and other personnel, and in improving capabilities, techniques, and practices in State and local law enforcement and prevention and control of crime, and for other purposes; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 8028. A bill to prohibit interstate contributions in connection with congressional primaries and elections and with elections for electors of the President; to the Committee on House Administration.

H.R. 8029. A bill to authorize a 3-year program of grants for construction of veterinary medical education facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DULSKI:

H.R. 8030. A bill to provide for the discontinuance of the Postal Savings System, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Colorado:

H.R. 8031. A bill to provide for the establishment of the Florissant Fossil Beds National Monument in the State of Colorado; to the Committee on Interior and Insular Affairs.

By Mr. FEIGHAN:

H.R. 8032. A bill to modify the Cleveland Harbor, Ohio, project to authorize the dredging of a portion of the Old River to a depth of 27 feet; to the Committee on Public Works.

By Mr. HAWKINS:

H.R. 8033. A bill to provide for family winter recreational use of a portion of the San Geronio Wilderness Area, San Bernardino National Forest, Calif., without reducing the area set aside for wilderness preservation within such forest, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LAIRD:

H.R. 8034. A bill authorizing the Secretary of Health, Education, and Welfare to make certain grants to the Menominee Indian people of Menominee County, Wis., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PIKE:

H.R. 8035. A bill to authorize the Secretary of the Interior to accept a donation of property in the county of Suffolk, State of New York, known as the William Floyd Estate, for addition to the Fire Island National Seashore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RIVERS of South Carolina:

H.R. 8036. A bill to make available to civilian officers and employees of the United States who are transferred as the result of the closure of a Department of Defense activity the same travel and transportation allowances provided for members of the uniformed services; to the Committee on Government Operations.

By Mr. STALBAUM:

H.R. 8037. A bill to achieve a fuller and more effective use of food abundances; to

strengthen food donation programs both at home and abroad in order to provide for improved level of nutrition, and for other purposes; to the Committee on Agriculture.

By Mr. THOMPSON of Louisiana:

H.R. 8038. A bill to amend sections 41, 43, and 44 of title 18 of the United States Code to include amphibians and reptiles within those sections; to the Committee on the Judiciary.

By Mr. ROBISON:

H.J. Res. 451. Joint resolution to provide for the display of the flag of the United States of America on Father's Day, the third Sunday in June; to the Committee on the Judiciary.

By Mr. SICKLES:

H. Con. Res. 409. Concurrent resolution establishing a joint committee composed of Members of the House of Representatives and the Senate to conduct a full and complete investigation of any and all matters pertaining to crime in the District of Columbia; to the Committee on Rules.

By Mr. ELLSWORTH:

H. Res. 375. Resolution amending the rules of the House of Representatives to permit the telecasting and broadcasting of certain proceedings; to the Committee on Rules.

By Mr. HALPERN:

H. Res. 376. Resolution to stop the transfer of the Naval Training Devices Center at Sands Point, N.Y., pending an investigation; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

247. By the SPEAKER: Memorial of the Legislature of the State of California, relative to benefits for veterans of the Vietnam action; to the Committee on Veterans' Affairs.

248. Also, memorial of the Legislature of the State of Nebraska, relative to an effective means of stopping the flow of unsolicited obscenity through the mails; to the Committee on Post Office and Civil Service.

249. Also, memorial of the Legislature of the State of North Dakota, relative to urging the construction of a scenic badlands road connecting the units of the Theodore Roosevelt National Memorial Park; to the Committee on Interior and Insular Affairs.

250. Also, memorial of the Legislature of the State of Texas, relative to establishing the Guadalupe Mountains National Park in Texas; to the Committee on Interior and Insular Affairs.

251. Also, memorial of the Legislature of the State of Washington, relative to providing funds so that the construction of the third powerhouse at Grand Coulee can be commenced at the earliest practical date; to the Committee on Appropriations.

252. Also, memorial of the Legislature of the State of Wisconsin, relative to an amendment to the Federal Constitution providing for the direct popular election of the President and Vice President; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABO:

H.R. 8039. A bill for the relief of Saverio Bonacasa; to the Committee on the Judiciary.

By Mrs. BOLTON:

H.R. 8040. A bill for the relief of Wladislaw Plizga; to the Committee on the Judiciary.

By Mr. FALLON:

H.R. 8041. A bill for the relief of Chick Tung Kung Chin; to the Committee on the Judiciary.

By Mr. HALL:

H.R. 8042. A bill for the relief of the estates of certain former members of the U.S. Navy Band; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 8043. A bill for the relief of Mrs. Janina Blaszczyńska; to the Committee on the Judiciary.

By Mr. ICHORD:

H.R. 8044. A bill for the relief of Dewey Williams, Buford E. Davenport, Edgar Chamberlain, and Gerald E. Tveitnes; to the Committee on the Judiciary.

By Mr. KREBS:

H.R. 8045. A bill for the relief of Merlita Bartolome Francisco; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H.R. 8046. A bill for the relief of Ludmila A. Vasilenko; to the Committee on the Judiciary.

By Mr. WHITE of Texas:

H.R. 8047. A bill for the relief of Joe (Chow) Tong Fat (also known as Howard Chung); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

199. By the SPEAKER: Petition of Gushikawa-son Assembly, Okinawa, Ryukyu Islands, relative to requesting recession of the U.S. Government in the governing of the Ryukyu Islands in favor of Japan; to the Committee on Foreign Affairs.

200. Also, petition of San Carlos Chamber of Commerce, San Carlos, Calif., relative to the need for a constitutional amendment on reapportionment; to the Committee on the Judiciary.

201. Also, petition of National Society of Professional Engineers, Washington, D.C., relative to legislation supporting the role of the professional engineers in the free enterprise system; to the Committee on Post Office and Civil Service.

202. Also, petition of Lower Snake River Ports Association, Clarkston, Wash., relative to assurances of continued customs services at the major ports on the lower Columbia; to the Committee on Ways and Means.

SENATE

MONDAY, MAY 10, 1965

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, we come with grateful hearts to the bowered beauty in the midst of which we walk, as growing things, answering the call of the springtime, are bursting into bud and flower. We thank Thee, too, for the gifts of love and friendship, for sacred and sunny memories, and for every radiant hope which sends a shining ray far down the future's broadening way.

Meet us, we beseech Thee, in the thorny questions which confront us amid the tragedies that have befallen men and nations out of their own willfulness and ignorance. We do not ask that Thou wilt keep us safe in these dangerous times, but we ask that Thou wilt keep us loyal to the ideals which